

Policy Evaluation of the Overall Effects of Welfare Reform on SSA Programs

Appendix for Final Report

Prepared for:

Social Security Administration

Howard Iams, Task Manager

Task Order No. 0440-98-33244

Contract No. 0600-98-27331

Prepared by:

The Lewin Group, Inc.

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APPENDIX A

**HISTORY OF RELEVANT PROGRAM LEGISLATION,
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Introduction

In this appendix, we summarize the history of program legislation, regulations, and court decisions of direct relevance to individuals eligible for SSA programs between 1976 and 1996. In previous work, we have analyzed how the availability and relative value of benefits through other programs, such as state and local GA, AFDC, and Medicaid, influence the decision of individuals to apply for disability benefits (Lewin, 1995c). The programs discussed below include SSI, DI, AFDC/TANF, Medicaid, Food Stamps, and GA.¹ The discussion highlights the major changes in these programs. *Appendix Exhibit A.6*, at the end of this Appendix, provides a more comprehensive list and description of legislative, regulatory, and court decisions between 1977 and 1996 affecting the eligibility criteria and benefit levels of these programs.

Supplemental Security Income (SSI)

While the purpose of the SSI disability program, namely to provide a safety net to disabled individuals without a sufficient work history to qualify for DI, has been the same since the program's inception in 1974, the program has been subject to numerous legislative, administrative, and court actions over the last twenty years. These actions have focused primarily on the defining of disability. In addition, Congress has enacted major SSI work incentives in an attempt to move some recipients back into the workforce.

Beginning in the mid-1970s and continuing into the early 1980s, SSA's disability programs underwent substantial administrative tightening that sought to develop more uniformity in disability determinations. One major change was a reliance on more "objective criteria" (e.g., matches between medical evidence in an applicant's file to criteria in medical listings) to determine disability. In 1979, SSA published regulations structured to facilitate a more objective assessment of an applicant's residual functional capacity (RFC) and vocational factors (age, education, and work experience) in determining ability to work. These regulations relied primarily on physical requirements of jobs and resulted in increased uniformity by requiring a finding of disability or no disability based on specified combinations of RFC and vocational factors. Because these regulations focused primarily on physical requirements of jobs, they were not well suited to assess the ability to work for persons with mental impairments.

In addition to the changes in the disability determinations over this period, SSA changed its policy for benefit terminations in continuing disability reviews (CDR) by state DDS. Prior to 1976, SSA followed a general policy of only terminating disability benefits when the beneficiary no longer met current disability criteria and exhibited signs of medical improvement. In 1976, however, SSA changed this policy by no longer requiring proof of medical improvement before terminating benefits. Over the period from 1975 to 1978, the rate of cessation decisions on continuing reviews by state agencies increased from approximately 16 to 50 percent.

The Social Security Disability Amendments of 1980 (PL 96-265) continued the trend of tightening the disability adjudication and review process. Most importantly for SSI recipients,

¹ We could have also included a summary of changes in the Medicare program in our descriptions below, but despite being subject to many legislative and administrative changes over the past twenty years, the vast majority of changes in Medicare have dealt with financing and program services and not eligibility issues. We limit our discussion of changes in the Medicare program to those that are directly related to DI eligibility (Section III.B).

the 1980 amendments required that SSA conduct “pre-effectuation” reviews of state DDS allowances of disability benefits before benefits were first paid as well as CDRs every three years for beneficiaries unless their disability had been determined to be permanent.² The legislation also established two key work incentives. First, it created section 1619 of the Social Security Act that authorized a three-year demonstration project allowing for the payment of special SSI benefits (and the retention of Medicaid coverage) for SSI recipients who lose Federal SSI eligibility because they have earnings above substantial gainful activity (SGA).³ Second, it permitted the deduction of impairment related work expenses (IRWEs) from earnings when determining if an SSI beneficiary is engaging in SGA. One additional provision of the 1980 amendments that specifically affected aliens was the requirement that SSA consider the income and resources of immigration sponsors of aliens applying for SSI in determining eligibility for, benefits and the amount of, payment. This requirement applied for three years after an alien’s admission to the United States.⁴

In response to concerns that federal disability policy had become overly restrictive, Congress enacted the Disability Reform Act of 1984 (PL 98-460). PL 98-460 instituted several reforms to relax the disability adjudication process for new applicants and the CDRs process for those already enrolled in SSI. The legislation also required that SSA and state DDS agencies weigh the combined effects of an individual’s multiple impairments when making a disability determination. Furthermore, after several court challenges and resistance from states on CDRs, the legislation reversed SSA’s 1976 policy and established a medical improvement standard for CDRs requiring proof of a beneficiary’s medical improvement and his or her ability to work. The legislation also ordered the development of new mental impairment standards and placed a moratorium on CDRs of people with mental impairments until revised criteria were published.⁵ Finally, the legislation raised the limit on countable resources for SSI recipients over a period of five years.

In the late 1980s and early 1990s, the trend towards a less restrictive disability policy continued as a series of actions transformed the disability determination process for children. First, the Omnibus Budget Reconciliation Act of 1989 (PL 101-239) established a permanent outreach program for disabled and blind children. Second, in February 1990, the U.S. Supreme Court, *Sullivan v. Zebley* rules against SSA’s policy of holding children to a stricter definition of disability than adults. As a result of this decision, SSA instituted regulations in February 1991 requiring children who did not meet or equal the medical listings to undergo a second stage evaluation, called an “individualized functional assessment” (IFA). SSA used IFAs for children

² The pre-effectuation reviews were only a statutory requirement for DI, but committee report language suggested that SSA conduct similar reviews of SSI cases. This law specified that SSA review 35 percent of allowances in the first year, 50 percent in the second year and 65 percent of all state agency allowances in subsequent years.

³ Section 1619 program, was administratively extended for one year in 1983 and legislatively extended in 1984 through 1987. The Employment and Opportunities for Disabled Americans Act (PL 99-463) made the program permanent, with substantial modification, in 1986.

⁴ This provision did not apply to persons who became blind or disabled after admission, refugees, or persons granted political asylum.

⁵ The revised mental impairment criteria were published in 1985. These new criteria were passed in response to a widely held belief that the existing regulations did not adequately measure the ability of someone with a mental impairment to perform SGA in a typical work environment.

to determine the severity of their impairment and the associated limitations.⁶ Third, SSA released new regulations in December 1990 that expanded the mental impairment listings for children to include additional developmental, behavioral, and emotional disorders (e.g. Attention Deficit Disorder). The regulations also revised determination procedures to more uniformly define how SSA considers mental impairments in children and the evidence that can be used by a claimant to demonstrate such an impairment. Finally, in 1992, SSA changed the way parental earnings were deemed as income for children in a way that reduced the amount deemed in many cases. The effect was to expand non-medical eligibility criteria and increase the value of the benefit for some families.⁷

The Social Security Independence and Program Improvement Act of 1994 (PL 103-296) included the last major changes in SSA policy before 1996. This legislation reversed the 10-year trend of expanding SSI eligibility criteria. Most notably, the Act placed significant restrictions on DI and SSI payments to individuals whose drug addiction or alcoholism was material to the finding of disability. The legislation also marked a return to stricter congressional requirements concerning the performance of CDRs by mandating that SSA conduct CDRs for a minimum of 100 thousand SSI recipients in fiscal years 1996, 1997, and 1998.

In addition to these legislative and court changes from 1976 to 1996, the Secretary of Health and Human Services made changes to the definition of “substantial gainful activity” (SGA).⁸ From 1977 to 1980, there were relatively modest changes in SGA, as it increased annually by \$20 from \$240 to \$300. In 1980, coinciding with the general tightening of disability policy, SGA was frozen at \$300 and remained unchanged for the next ten years. Finally, in 1990, SGA was increased from \$300 to its current level of \$500.⁹

Social Security Disability Insurance

Many of the changes affecting SSA’s definition of disability described above also affected the DI program. This is particularly true in respect to the administrative tightening -- allowing terminations without medical improvement and the standardization of the disability adjudication process -- that took place from the mid-1970s through the early 1980s. Hence, we limit our discussion here to program changes that specifically affected DI, but not SSI.

The major changes that affected DI, but not SSI, were made in the Social Security Disability Amendments of 1980. In addition to those changes affecting both SSI and DI discussed above, this legislation sought to decrease the attractiveness of DI benefits relative to work by limiting the maximum value of DI benefits, limiting the benefits for young disabled workers, and providing several work incentives. The work incentives for DI included the establishment of an expanded period of eligibility allowing automatic re-entitlement to DI benefits within 15 months of the end of the trial work period if an individual stopped performing SGA and transitional

⁶ Individualized functional assessments were developed to judge whether a child has an impairment that limits their ability to pursue age-related activities (e.g., school).

⁷ Hannsgen and Sandell (1996) find that this more generous treatment of income significantly increased the amount of payments and the number of children on SSI.

⁸ The Secretary of Health and Human Services has specific regulatory authority to prescribe the criteria for determining when labor earnings demonstrate an individual’s ability to engage in SGA.

⁹ SGA levels are calculated as the net of labor income after deducting IRWEs.

Medicare coverage for up to 24 months for medically disabled individuals whose DI eligibility ended because they engaged in SGA.¹⁰

Between 1984 and 1996, Congress and SSA made only modest modifications to the DI program. These changes included: an expansion of the extended period of eligibility from 15 to 36 months (1987); the creation of a five-year trial work period for all DI beneficiaries (1990); an increase in the portion of all Social Security benefits subject to income tax (1993); and the placement of significant restrictions on DI payments to individuals whose drug addiction or alcoholism was material to the finding of disability (1994).

AFDC/TANF

Between 1977 and 1996, both the federal and state governments sought to balance the goals of providing a safety net for families and reducing dependency by encouraging work and decreasing the relative attractiveness of AFDC. At the center of this effort were three key pieces of federal legislation: the Omnibus Reconciliation Act of 1981 (OBRA-1981) (PL 97-35), the Deficit Reduction Act of 1984 (DEFRA-1984) (PL 98-369), and the Family Support Act of 1988 (FSA-1988) (PL 100-485). The primary provision of OBRA-1981 was the establishment of a gross income limit for eligibility equal to 150 percent of a state's AFDC need standard. OBRA-1981 also tightened many of the earned income disregards used in determining eligibility and calculating payment amounts. DEFRA-1984 mitigated some of OBRA-1981's changes by increasing the gross income limit to 185 percent and expanding some of the earned income disregards. Finally, FSA-1988 instituted several reforms to encourage work. These provisions included: the establishment of the Job Opportunities and Basic Skills (JOBS) Program; the provision of transitional childcare and Medicaid for families who leave AFDC because of increased earnings, hours of work, or loss of earnings disregards; and expanded income, work-expense, and child care disregards. In addition, FSA-1988, mandated that states implement an Unemployed Parent (AFDC-UP) program to provide benefits for a minimum of six months per year to two parent families.¹¹

Over this period, the generosity of maximum family AFDC benefits across-states varied greatly. For example, in 1994, the maximum AFDC benefit amount for a family of three ranged from \$120 (Mississippi) to \$612 (Vermont).¹² Further, the changes in the maximum AFDC benefit over time have varied across-states. For example, from 1979 to 1994 the maximum AFDC benefit for a family of three in Massachusetts increased by \$242, whereas in Idaho the maximum benefit decreased by \$6. In past work, we have found strong evidence that changes in state program participation parameters have a large impact on AFDC participation (Lewin, 1997).

Further differences across state AFDC programs arose over this period as many states started using federal waivers to experiment with their AFDC program. States could propose plans to the Secretary of Health and Human Services for experimental program changes in which some federal requirements were waived if these changes furthered the goals of the AFDC system.

¹⁰ Similar to SSI work incentives, the work incentives in this legislation also included the deduction of IRWEs from earnings in establishing whether a beneficiary is engaging in SGA

¹¹ Many states, however, provided benefits for the entire year and states with 12-month programs before October 1, 1990 were required to continue 12-month programs under FSA-1988.

¹² Benefit levels were actually higher in Alaska (\$923) and Hawaii (\$468).

Examples of some of the changes that states made under these waivers include work requirements and time-limited benefits. Some waivers were issued that ran experimental programs in a small number of counties within a state, whereas other waivers were issued for statewide changes.

Food Stamps

The current structure of the Food Stamp program is largely a result of legislative changes in 1977. Prior to 1977, the program required that participants purchase food stamp coupons. The difference between the price paid by participants and the face value of the coupons was known as the “bonus value.” The Food Stamp Act of 1977 significantly reformed the Food Stamp program by eliminating the purchase requirement and providing households with only the bonus portion of their coupon allotments. The 1977 legislation also eliminated some and limited and/or combined other deductions used in calculating countable income, established the federal poverty guidelines as the eligibility limits, and required that AFDC and SSI households meet asset and income tests.

In general, the structure of the Food Stamps program was relatively stable between 1977 and 1996, though there were three changes, one of which specifically impacted persons with disabilities, that affected program eligibility and benefit levels. The first change was made through OBRA-1981 with the establishment of gross income eligibility limits. The gross income eligibility limits significantly reduced the total number of individuals who were income eligible for Food Stamps. The second change, which directly impacted persons with disabilities, was made in 1985 through PL 99-198 as the program definition of disability was extended beyond individuals receiving federal SSI or DI payments to include people receiving certain veterans’ benefits, State SSI payments, government or railroad disability benefits, and people awaiting disability determinations for SSI, DI, or state disability payments. A third change was made to the Food Stamp program in OBRA-1993 (Mickey Leland Act of 1993) that expanded food stamp coverage, particularly for families with children, by increasing a series of income deductions (summarized in **Appendix Exhibit A.6**).

Medicaid

The most significant changes in federal legislation involving Medicaid occurred between 1984 and 1990.¹³ Beginning with the Deficit Reduction Act of 1984 (PL 98-369), federal legislation has authorized a series of mandatory and optional eligibility expansions to State Medicaid. These expansions have generally targeted at specific low-income populations, especially pregnant women, children, and low-income Medicare beneficiaries referred to as Qualified Medicare Beneficiaries -QMB. Perhaps the most significant of these actions was the phased-in coverage of all children whose family income is below 100 percent of the federal poverty level, authorized by the Omnibus Budget Reconciliation Act of 1990 (PL 101-508). Federal legislation has also encouraged experimentation with benefit packages and service delivery through the authorization of demonstration projects and program waivers. Together these efforts have made

¹³ There were also some major changes over this period in state laws that had differential impacts on Medicaid across states.

Medicaid coverage available to millions of individuals, many who might have potentially applied for SSI and/or AFDC/TANF benefits.

State General Assistance (GA)

There have been large changes in the eligibility requirements and benefit levels of state and local GA programs over the past twenty years. While it is difficult to measure the effect of changes in local GA programs because of the large number of these programs, Lewin (1997) and Uccello, et al. (1996) have identified numerous changes in states where steps have taken to reduce GA caseloads. The state GA changes that these reports identified as resulting in the most substantial decrease in participation include:

- ◆ the elimination of Michigan's GA program in 1991;
- ◆ the cutback of Ohio's GA program in 1992 and the eventual elimination of Ohio's program for able-bodied adults in 1995;
- ◆ the cutback of Pennsylvania's GA program in 1983 and the eventual elimination of Pennsylvania's program for able-bodied adults and families in 1996;
- ◆ the cutback of Indiana's and Illinois's GA programs in 1987 and 1992, respectively;

Environmental factors relevant to Changing caseloads

While the program changes from 1976 to 1996 described in Sections II through VII had a large impact both within programs and across programs, it has been demonstrated that demographic and macroeconomic changes significantly influenced caseload size in SSA and non-SSA related programs relevant to our evaluation (see for instance Lewin, 1997; Lewin, 1995b). Demographic changes in the growth and aging of the population at-risk for participation in SSA and non-SSA programs has varied over time. For example, in evaluating AFDC caseloads from 1979 to 1994, Lewin (1997) finds that the population most at-risk for AFDC participation was high during the early 1980's, but declined throughout the rest of the period because the baby boom generation was moving out of the "at-risk" age of AFDC participation and being replaced by the much smaller post-boom cohorts. Further, this report finds changes in marital composition and increases in marital births also impacted the size of the population at risk for these programs. Similarly, Lewin (1995) finds that changes in the size and age distribution of the working-age population had significant impacts on caseload growth in both DI and SSI from 1988 to 1992. Any evaluation of the impacts of changing caseloads will need to account for changes in the demographic composition of individuals who will be "at-risk" for participation, particularly as the baby boom cohort moves closer to the retirement age.

In addition to these demographic changes, macroeconomic changes in the business cycle have significant impacts on caseload size in SSA and non-SSA related programs. In particular the reports on AFDC, DI and SSI mentioned above all find large expansions in these caseloads during periods of economic downturns. The presumable reason is that declines in job opportunities reduce the opportunity cost of program participation. In designing the evaluation, it will be very important to distinguish changes in caseloads due to policy changes from changes

due to economic changes. It may be, for instance, that the presumably positive impact of AFDC/TANF policy changes on SSI caseloads are currently being substantially offset by the growing economy.

Program Trends

In this section, we track caseload trends in SSI, DI, AFDC, Food Stamps, and Medicaid from 1976 to 1996 highlighting major programmatic and macroeconomic changes that will inform our analysis on pre-reform changes. While we measure program participation based on caseloads to be consistent across programs, in our previous work on SSI and DI we found that new allowance (and applications) were a better measure of participation because of the asymmetry between program exit and entry. We use the unemployment rate to measure fluctuations in the business cycle. We highlight programmatic changes described in Sections II through VII by year of program change.

Although we expect that caseload trends in several of these programs will be influenced by either programmatic and/or macroeconomic changes, there are several other factors that we do not control for in this trend analysis that also influence caseload size. For example, as mentioned in Section VIII, changes in the demographic composition of the population can influence caseload size across programs. Further, some programmatic changes may coincide with macroeconomic changes which create a mixed response in overall caseload changes. Therefore, while the trends that we track below are sometimes suggestive of the influence of specific programmatic and macroeconomic changes on caseload size, a much more critical analysis would be needed to separate the effects of multiple factors that influence caseloads in each program.

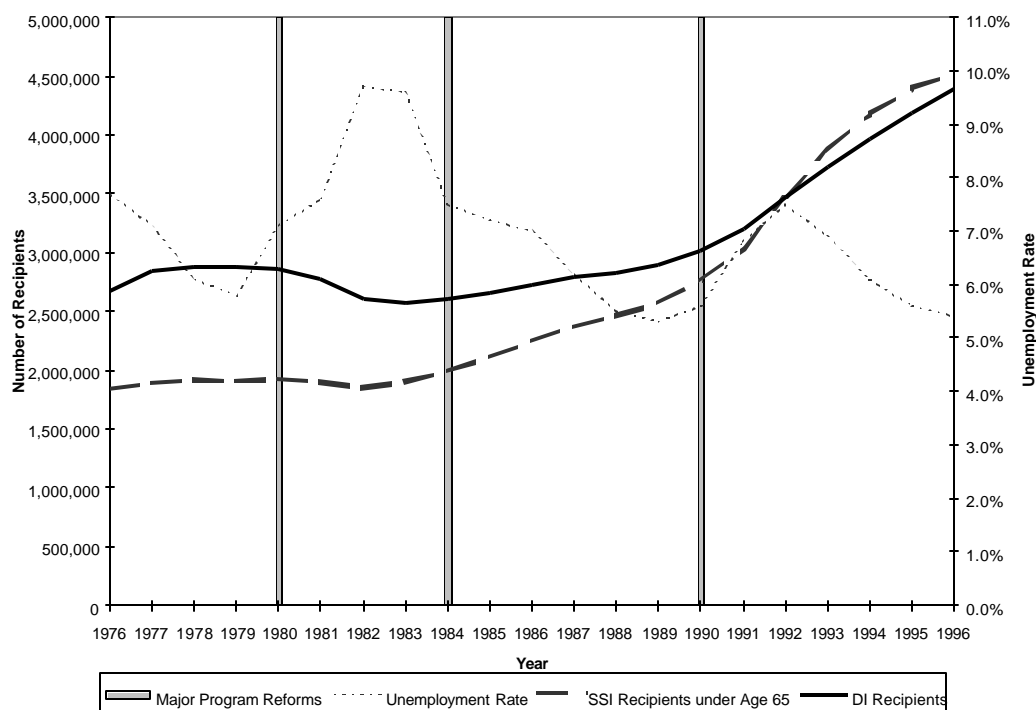
A. SSI and DI¹⁴

In **Appendix Exhibit A.1**, we jointly track the caseload trends of SSI and DI recipients aged 65 and under from 1976 to 1996.¹⁵ We simultaneously follow the trends of SSI and DI caseloads because these programs were affected by almost all of the same policy changes. The major program changes that we highlight in Exhibit A.1 include the Social Security Disability Amendments of 1980, Disability Reform Act of 1984, and the changes in the SSI children's program that occurred from 1990 to 1991. We find that SSI and DI caseloads are sensitive to these program changes and, to a lesser extent, changes in the unemployment rate. Overall, from 1976 to 1996 the number of SSI recipients has nearly tripled from 1.8 million to 4.5 million, though much of this growth has occurred over the last ten years. Over this same period, the number of DI recipients has grown by 64 percent from 2.7 million to 4.4 million, but, similar to SSI, much of this growth has also occurred in the past decade.

¹⁴ Caseload trends for SSI and DI are based on statistics published in SSA (1997b).

¹⁵ Caseloads are as of December in each year.

Appendix Exhibit A.1 Caseload Trends of SSI and DI from 1976 to 1996¹



1. SSI caseloads only includes individuals under the age of 65

SSI

In the period of tighter disability policy that started in the late seventies and extended into the early eighties, SSI growth was stagnant. Prior to 1978, the number of SSI recipients had grown every year since the inception of the program in 1974. Between 1978 and 1982, however, the number of SSI recipients fell slightly from 1.9 million to 1.8 million. This decrease occurred in spite of the economic recession of 1980-82 during which the unemployment rate increased from 7.1 percent to 9.5 percent.

In the mid-eighties, disability policy was expanding following changes from the Disability Benefits Reform Act of 1984. Following these program changes, the number of SSI recipients expanded rapidly from 2.0 million in 1984 to 2.6 million in 1989 despite a fall in the unemployment rate from 7.5 percent in 1984 to 5.3 percent in 1989.

In the nineties, there were large expansions in SSI caseloads coinciding with the expanding disability policy and economic downturn. From 1990 to 1992, a period in which the unemployment rate was growing from 5.6 percent to 7.5 percent, the number of SSI recipients increased from 2.8 million to 3.5 million. Even as the unemployment rate began to fall from 1992 to 1996, the number of SSI recipients continued to expand from 3.5 million to 4.5 million as the program changes from 1990 and 1991 were being fully implemented.

Within the population of SSI recipients, we are particularly interested in the trends of specific groups of SSI recipients affected by the SSA reforms, namely children, legal aliens, drug addicts and/or alcoholics. From 1976 to 1996, each of these groups grew at a very rapid rate, though much of this growth for each group has taken place in the past decade. In the years following the *Zebley* decision and the issuing of the new SSA listings of mental impairments for children, the number of SSI children increased by over 250 percent, growing from 265 thousand in December 1989 to over 955 thousand in December 1996. The number of legal aliens receiving SSI payments on the basis of age or disability has also grown--particularly since the enactment of the Immigration Reform and Control Act of 1986 that allowed many previously illegal aliens to become legal aliens between 1986 and 1995, the numbers of legal aliens receiving SSI benefits increased from 264 thousand to 785 thousand. Finally, the number of individuals receiving SSI disability payments on the basis of their drug addiction or alcoholism being material to the finding of disability increased from approximately 17 thousand in 1989 to over 130 thousand by the end of 1995.¹⁶

DI

DI participation trends between 1976 and 1996 followed a very similar pattern to SSI. Between 1978 and 1983, the number of DI recipients, which had grown every year since the inception of the program in 1957, fell from 2.9 million to 2.6 million. Similar to SSI trends, this decrease was concurrent with changes in SSA disability policy that tightened the definition of disability, and occurred in spite of the economic recession of 1980-82. Also similar to SSI trends, the number of DI recipients increased in the period of expansionary disability policy following the Disability Benefits Reform Act of 1984, to over 3 million in 1990. DI participation accelerated during the early 1990s in conjunction with the higher unemployment rates produced by the recession of 1990-91. Despite a considerable decline in the unemployment rate between 1992 and 1996, the total number of DI recipients continued to grow, reaching nearly 4.4 million in 1996.

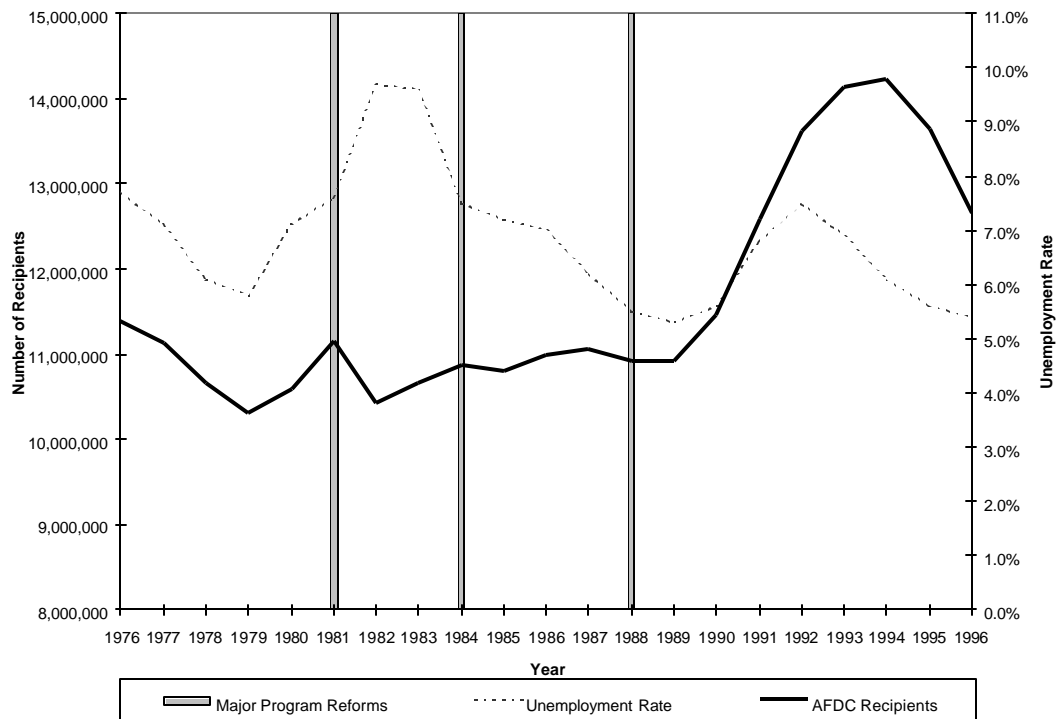
B. AFDC/TANF¹⁷

In **Appendix Exhibit A.2**, we examine trends in the number of AFDC recipients (including parents and children) from 1976 to 1996. The major program changes that we highlight in Appendix Exhibit A.2 include OBRA-1981, DEFRA-1984, and FSA-1988. From 1976 and 1996, the number of AFDC recipients increased from approximately 11.4 million to 12.6 million. While the overall growth in AFDC caseloads was relatively modest from 1976 to 1996, particularly compared to growth in disability programs, there was substantial variation in AFDC participation over this period.

¹⁶ Barber (1996).

¹⁷ AFDC trends based on U.S. Department of Health and Human Services (1998).

Appendix Exhibit A.2 AFDC Recipients, 1976 to 1996¹



1. AFDC caseloads includes parents and children

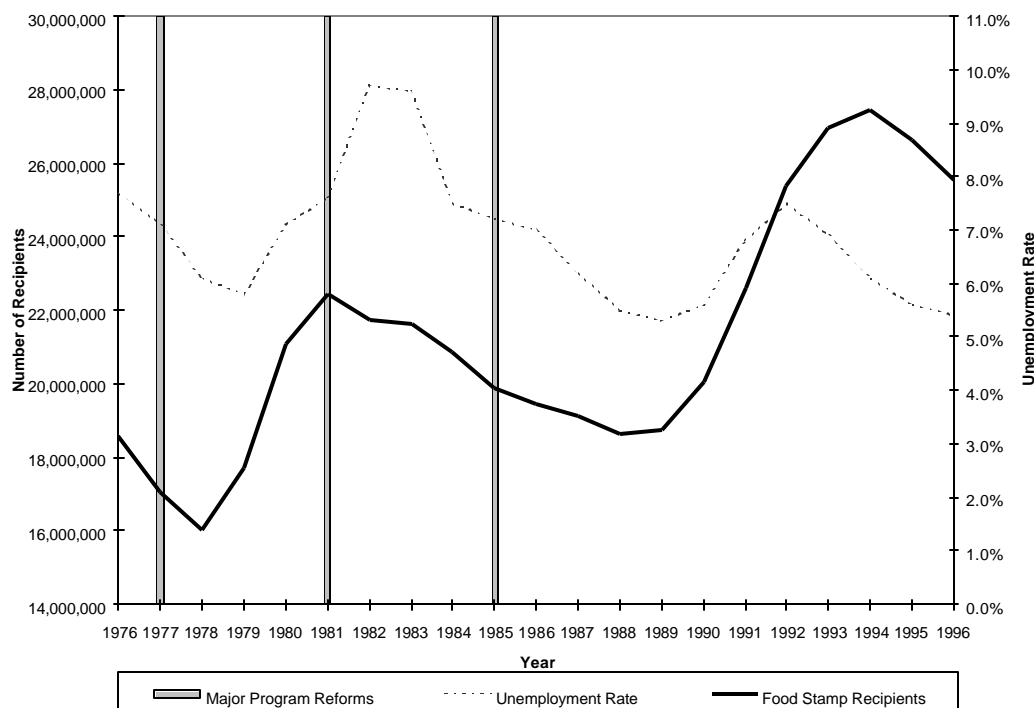
From 1976 to 1989, overall AFDC recipients dropped slightly from 11.4 million to 10.9 million, but there were some fluctuations over this period. From 1976 to 1979, the number of AFDC recipients nationwide declined from 11.4 million to 10.3 million, coinciding with a drop in the unemployment rate from 7.7 percent to 5.8 percent. As the unemployment rate began increasing in 1980, the number of recipients began to rise, peaking at nearly 11.2 million in 1981. In 1982, the year following the passage of OBRA-1981, the number of recipients declined to 10.4 million despite a period high unemployment rate of 9.7 percent. Between 1982 and 1989, changes in DEFRA-1984 reversed some of the effects of OBRA-1981, as the number of AFDC recipients gradually increased to 10.9 million recipients despite a constantly declining unemployment rate throughout the period.

Relative to the fluctuations in AFDC recipients from 1976 to 1989, the fluctuations in the nineties were very large. From 1989 to 1994, the number of AFDC recipients grew very quickly from 10.9 million recipients to over 14.2 million recipients. The start of this growth coincided with an increasing unemployment rate and the implementation of the provisions of FSA-1988. Although the unemployment rate began to decrease in 1992, it still remained above its 1990 level of 5.6 percent until 1994. During this period, AFDC participation continued to increase. As the unemployment rate continued to decrease throughout 1995 and 1996, the number of AFDC recipients fell rapidly to 12.6 million in 1996. As of September 1997, caseloads for TANF had fallen to 9.8 million recipients.

C. Food Stamps¹⁸

In **Appendix Exhibit A.3**, we examine trends in the number of Food Stamp recipients from 1976 to 1996. The major program changes that we highlight in Exhibit A.3 include the Food Stamp Act of 1977 and OBRA-1981. From 1976 to 1996, the number of Food Stamp recipients grew from 18.6 million to 25.5 million. The largest growth over this period occurred in the nineties.

Appendix Exhibit A.3
Food Stamp Recipients, 1976 to 1996



From 1976 to 1988, the number of Food Stamp recipients grew slightly from 18.6 million to 18.7 million, though there were some fluctuations in the Food Stamp caseload that closely corresponded with the unemployment rate and the two major program changes. From 1976 to 1978 there were large reductions in the Food Stamp caseloads concurrent with changes in the Food Stamp Act of 1977 and a decreasing unemployment rate. Over this period monthly participation in the Food Stamp program fell from 18.6 million to 16.0 million, while the unemployment rate fell from 7.7 percent to 5.8 percent. Participation began increasing in 1979 and reached a monthly average of 22.4 million in 1981. Following the enactment of OBRA-1981 and despite an increasing national unemployment rate, average monthly Food Stamp participation dropped by over 700 thousand people to 21.7 million people in 1982. Participation continued to decline from 1982 to 1988 as the unemployment rate fell from 9.7 percent to 5.3 percent.

The number of Food Stamp recipients grew rapidly in the late eighties and early nineties, but the growth in caseloads stopped when economic conditions began to improve in 1994. Not

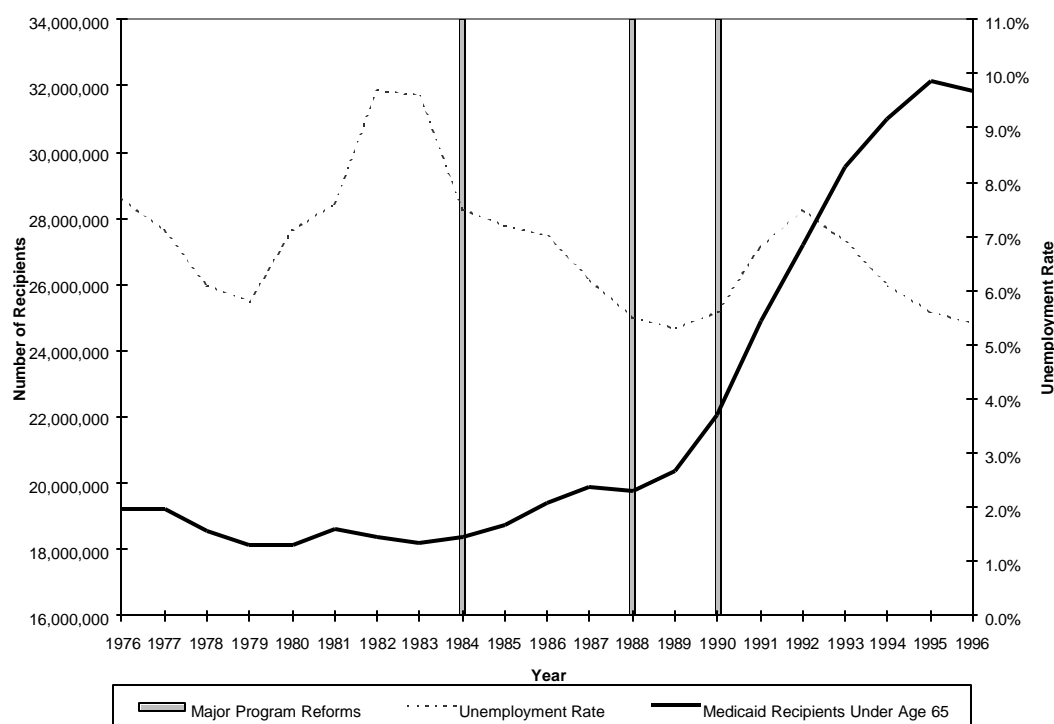
¹⁸ Food Stamp Program trends are based on statistics published in SSA (1997b).

surprisingly, the fluctuations in Food Stamp caseloads that occurred in the nineties mirrored those of AFDC caseloads, because a large portion of AFDC recipients also receive Food Stamps. From 1988 to 1994, Food Stamp participation rates increased by almost fifty percent from 18.6 million to 27.4 million. From 1994 to 1996, as the unemployment rate fell from 6.1 percent to 5.4 percent, the number of Food Stamp recipients fell from 27.5 to 25.5 million recipients. Food stamp participation had dropped to 20.3 million individuals by January 1998.

D. Medicaid¹⁹

In **Appendix Exhibit A.4**, we examine trends in the number of Medicaid recipients from 1976 to 1996. The one major change that we highlight in Exhibit A.4 is OBRA-1990, which significantly expanded Medicaid eligibility for low income families. In general, the trends in Medicaid before 1990 reflect trends in the SSI and AFDC programs, because many Medicaid recipients are either SSI or AFDC recipients.

Appendix Exhibit A.4
Medicaid Recipients, 1976 to 1996



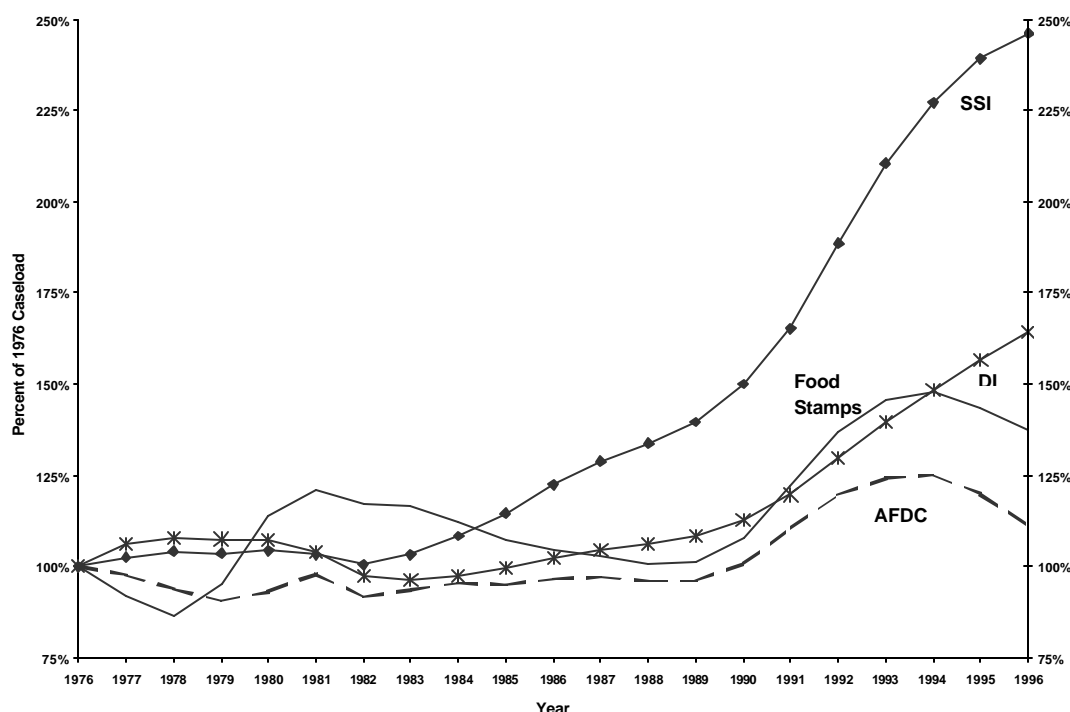
From 1976 to 1996, the number of Medicaid recipients increased from 19.2 million to 31.8 million. The majority of these increases occurred in the nineties. Between 1976 and 1989, the number of Medicaid recipients under the age of 65 increased from 19.2 million to just under 20.4 million. After the changes in Medicaid following OBRA-1990 and concurrent with large expansions in SSI and AFDC caseloads, the number of recipients increased from 22.0 million to 31.8 million.

¹⁹ Medicaid trends are based on statistics published in SSA (1997b).

E. Comparison of Caseload Trends

In **Appendix Exhibit A.5**, we compare SSI, DI, AFDC, and Food Stamps caseload trends. We developed a uniform scale to make these comparisons because there are large differences in caseload size across programs.²⁰ We scale caseload totals in each program by creating a ratio of annual caseloads to 1976 caseloads; a ratio of less than 100 percent indicates that the caseload for that year was below the 1976 caseload.

Appendix Exhibit A.5
Comparison of Caseload Trends for SSI, DI, AFDC, and Food Stamps¹



1. SSI caseloads only includes individuals under the age of 65 and AFDC caseloads includes parents and children. Annual caseloads totals in each program are scaled by creating a ratio of annual caseloads to 1976 caseloads

The comparison of trends in Appendix Exhibit A.5 provides an indication of the differences in caseload growth patterns of SSA programs versus AFDC and Food Stamps. In general, SSI and DI caseloads have consistently grown each year, with the exception of the early eighties. In comparison to caseloads in 1976, the 1996 SSI caseload was more than twice as large and the DI caseload was more than 1.5 as times large. AFDC and Food Stamp caseloads, however, have had more fluctuations over this period, many of which, as described above, were responses to macroeconomic and policy changes.

One reason for the differences in caseload movements of SSA programs in comparison to AFDC and Food Stamps is due to the asymmetry of program entry and exit. Program entry in AFDC and Food Stamps is relatively easy compared to SSI and DI and the length of program stay for

²⁰ For example, in 1976 the total SSI caseload was 1.8 million, whereas the Food Stamp caseload was 18.6 million.

AFDC and Food Stamps is typically much shorter than for SSI and DI. Because AFDC and Food Stamp caseloads are comprised of relatively more individuals who stay on the program for a short period of time relative to SSI and DI, there are more fluctuations. Recognizing these differences in caseload fluctuations due to asymmetry of program entry and exit are very important to an analysis of program participation.

Appendix Exhibit A.6

Major Legislation and Reforms Affecting Eligibility and Benefits in Federal and State Social Insurance and Assistance Programs, 1977-1996

Legislation	Provisions
SSI	
1976	<ul style="list-style-type: none"> Excluded value of home from calculation of countable resources regardless of value of home.
1976	<ul style="list-style-type: none"> Terminations without medical improvement
1976	<ul style="list-style-type: none"> SGA set at \$230
1977	<ul style="list-style-type: none"> Excluded food stamps, federally donated food, and the value of free or reduced price food for women and children under the Child Nutrition Act and National School Lunch Act from calculation of countable unearned income.
1977	<ul style="list-style-type: none"> SGA set at \$240
1978	<ul style="list-style-type: none"> SGA set at \$260
1979	<ul style="list-style-type: none"> Increased reasonable value for automobile to \$4,500 and reasonable value for personal goods and household effects to \$2,000 of equity value.
1979	<ul style="list-style-type: none"> Regulations comparing residual functional capacity (RFC) and vocational factors (age, education, and work experience).
1979	<ul style="list-style-type: none"> SGA set at \$280
Social Security Disability Amendments of 1980 (PL 96-265)	<ul style="list-style-type: none"> Established a three-year demonstration project authorizing special SSI benefits under section 1619 and retention of Medicaid for disabled SSI recipients who lose Federal SSI eligibility because of earnings above SGA. (Initial law in effect from Jan 1., 1981 – Dec. 31, 1983. Demonstration project was extended administratively through Dec. 31, 1984.) Established remuneration received in sheltered workshops and work activity centers as a type of earned income and, allowed workers earning such income to qualify for earned income disregards. Permitted the deduction of impairment related work expenses (IRWEs) from earnings when determining if an individual is engaging in SGA. IRWEs were excluded in calculating income for benefit purposes if initial eligibility for benefits existed on the basis of countable income without applying IRWEs. Reinstated EITC as a type of earned income. (Not included: 1975-1980.) Required the consideration of the income and resources of the immigration sponsors of aliens applying for SSI in determining eligibility for and the amount of payment. Requirement was effective for three years after admission to U.S., but did not apply to those who became blind or disabled after admission, to refugees, or to persons granted political asylum. Eliminated the "deeming" of parental income and resources to children aged 18 to 20. Established an SSDI offset (by reduction of retroactive SS benefits) to prevent persons whose initial SSDI payment is retroactive from receiving more in total benefits for the same period than if they were paid the benefits when regularly due. Required that unless an SSI recipient's disability is permanent, the individual should undergo a continuing disability review every 3 years. Determined that SSI applicants and recipients are not required as a condition of eligibility to elect to receive VA pensions
1980	<ul style="list-style-type: none"> SGA set at \$300
Omnibus Budget Reconciliation Act of 1981 (PL 97-35)	<ul style="list-style-type: none"> Changed reference period for income, resources, and other criteria used in determining eligibility and benefit amount from a calendar quarter to a month.

Appendix Exhibit A.6 (Continued)

**Major Legislation and Reforms Affecting Eligibility and Benefits in
Federal and State Social Insurance and Assistance Programs, 1977-1996**

Legislation	Provisions
SSI (continued)	
Social Security Amendments of 1983 (PL 98-21)	<ul style="list-style-type: none"> • Allowed payments to residents of public emergency shelters for the homeless for up to 3 months in any 12-month period. • Allowed for the disregard of support and maintenance provided in kind by a non-profit organization or in cash or in kind by certain providers of home energy when determining countable income if the State determines that the assistance is based on need. • Allowed for the exclusion of certain home energy assistance payments from countable income if a State agency certified that the assistance is based on need.
Disability Benefits Reform Act of 1984 (PL 98-460)	<ul style="list-style-type: none"> • Required that the combined effects of an individual's multiple impairments be weighed when making the disability determination. • Established a medical improvement standard and allowed for the termination of DI and/or SSI benefits if there is substantial evidence that a person's medical condition has improved and that he or she is able to work. • Ordered the development of new mental impairment standards and placed moratorium on mental impairment reviews until revised criteria were published. (Revised criteria were published in 1985.) • Required that evidence provided by a claimant's own physician be considered prior to the results of an SSA consultative examination. • Extended special SSI benefits and retention of Medicaid for disabled SSI recipients who lose Federal SSI eligibility because of earnings above SGA under section 1619 through June 30, 1987. • Expanded SSDI offset provision to allow for reduction of retroactive SSI benefits and to apply in cases of SSDI benefit reinstatement. • Raised the limit on countable resources by \$100 a year for individuals and \$150 a year for couples, beginning in calendar year 1985-1989. Individual limit increased from \$1,500 to \$2,000, and limit for couples increased from \$2,250 to \$3,000 between 1985 and 1989.
Employment Opportunities for Disabled Americans Act (1986) (PL 99-463)	<ul style="list-style-type: none"> • Made permanent and simplified the provisions of section 1619 allowing for special SSI benefits and retention of Medicaid for disabled SSI recipients who lose Federal SSI eligibility because of earnings above SGA.
Budget Reconciliation Act of 1987 (PL 100-203)	<ul style="list-style-type: none"> • Allowed payments to residents of public emergency shelters for the homeless for up to 6 months in a 9-month period.
Omnibus Budget Reconciliation Act of 1989 (PL 101-239)	<ul style="list-style-type: none"> • Established a permanent outreach program for disabled and blind children. • Waived the SSI income and resource deeming rules in the case of severely disabled children who were eligible for SSI while in a medical institution and who qualify for Medicaid under a State home care plan. • Required that property used in a person's trade or business, or in the employment of a family member, be excluded when determining the equity value of a personal property.
<i>Sullivan v. Zebley</i> decision (1990)	<ul style="list-style-type: none"> • As a result of this decision, SSA instituted regulations in February 1991 requiring children who did not meet or equal the medical listings to undergo a second stage evaluation, called an "individualized functional assessment," to determine the severity of their impairment and the associated limitations.

Appendix Exhibit A.6 (Continued)

Major Legislation and Reforms Affecting Eligibility and Benefits in
Federal and State Social Insurance and Assistance Programs, 1977-1996

Legislation	Provisions
SSI (continued)	
Omnibus Budget Reconciliation Act of 1990 (PL 101-508)	<ul style="list-style-type: none"> • Liberalized the treatment of certain income by disregarding certain expenses and payments, including EITC, in determining SSI eligibility and/or benefits. • Authorized the exclusion of IRWEs in determining initial eligibility as well as benefit amounts for both Federal and State supplemental payments. • Modified section 1619, including the authorization of CDRs for section 1619 recipients once every twelve months. • Required formation of procedure for a concurrent application for SSI and Food Stamp Programs. • Required that SSA notify parents of children receiving of retroactive payments under <i>Sullivan v. Zebley</i> that the family may be able to place the payments in a trust fund for the child. • Extended the period during which a person applying on the basis of disability who meets all other criteria and is awaiting a disability determination (presumptive period of eligibility) may receive payment from 3 to 6 months.
1990	<ul style="list-style-type: none"> • SGA set at \$500
Revision of Mental Impairment Listings for Children (1991)	<ul style="list-style-type: none"> • Expanded the mental impairment listings for children to include additional developmental, behavioral, and emotional disorders.
Omnibus Budget Reconciliation Act of 1993 (PL 103-66)	<ul style="list-style-type: none"> • Extended period of sponsor-to-alien deeming of income and resources from three to five years.
Social Security Independence and Program Improvement Act of 1994 [Alternate Title: Social Security Administrative Reform Act of 1994] (PL 103-296)	<ul style="list-style-type: none"> • Placed restrictions on DI and SSI payments to individuals whose drug addiction or alcoholism was material to the finding of disability: <ul style="list-style-type: none"> ➢ Limited payments to 36 months after the first month for which treatment is available. ➢ Required payment suspensions for individuals who did not comply with treatment requirements. ➢ Required gradual payments of retroactive benefits. ➢ Strengthened representative payee requirements giving preference to social service, Federal, State, and local agencies. ➢ Required the establishment of referral and monitoring agency contracts. • Required SSA to perform CDRs for a minimum of 100,000 SSI recipients in fiscal years 1996, 1997, and 1998 and for one-third of all SSI recipients between the ages of 18 and 19 • Continued Medicaid under section 1619(b) for an individual whose Social Security cost-of-living increase would otherwise render them ineligible for Medicaid because of excess unearned income.
SSDI	
Social Security Amendments of 1977 (PL 95-216)	<ul style="list-style-type: none"> • Replaced Average Monthly Wage (AMW) calculation Average Indexed Monthly Earnings (AIME) calculation and established a new methodology for calculating a beneficiary's Primary Insurance Amount (PIA). New formula provided a stable relationship between one's benefit and pre-eligibility earnings. Effective January 1, 1979. • Mandated that workers in covered employment receive one quarter of coverage (up to four per year) for each \$250 of annual wages.

Appendix Exhibit A.6 (Continued)

**Major Legislation and Reforms Affecting Eligibility and Benefits in
Federal and State Social Insurance and Assistance Programs, 1977-1996**

Legislation	Provisions
SSDI (continued)	
Social Security Disability Amendments of 1980 (PL 96-265)	<ul style="list-style-type: none"> • Permitted the deduction of impairment related work expenses (IRWEs) from earnings when determining if an individual is engaging in SGA. IRWEs were excluded in calculating income for benefit purposes if initial eligibility for benefits exists on the basis of countable income without applying IRWEs. • Limited family benefits in disability cases to the lesser of 85 percent of AIME or 150 percent of PIA, but no less than 100 percent of PIA. • Required that in the computation of benefits for workers disabled before the age of 47, the dropout years be reduced from five years to a range of one to four years, depending on the worker's age and child care dropout years. • Required that unless a DI recipient's disability is permanent, the individual should undergo a continuing disability review every 3 years. • Required that the SSA review state agency disability benefits allowances and granted the SSA the power to reverse allowances. • Provided continued Medicare coverage for up to 24 months after the termination of DI eligibility to medically disabled recipients whose DI eligibility ended because they engaged in SGA. • Established expanded period of eligibility allowing for the automatic re-entitlement to DI benefits within 15 months of the end of the trial work period if an individual stops performing SGA.
Omnibus Budget Reconciliation Act of 1981 (PL 97-35)	<ul style="list-style-type: none"> • Eliminated benefits for post-secondary students. • Required termination of mother's and father's benefits when youngest non-disabled child reaches age 16. Mother's and father's benefits continued until youngest child reaches age 18 if youngest child has a disability.
Social Security Amendments of 1983 (PL 98-21)	<ul style="list-style-type: none"> • Established SSDI coverage for federal elected officials, political appointees, new federal employees, and all non-profit employees. • Established partial benefit offset for individuals receiving pensions from non-covered employment. • Made the lesser of one-half of Social Security or one-half of income over \$32,000 for couples filing jointly, or \$25,000 for individuals, subject to income taxation.
Disability Benefits Reform Act of 1984 (PL 98-460)	<ul style="list-style-type: none"> • Required that the combined effects of an individual's multiple impairments be weighed when making the disability determination. • Established a medical improvement standard and allowed for the termination of DI and/or SSI benefits if there is substantial evidence that a person's medical condition has improved and that he or she is able to work. • Required that evidence provided by a claimant's own physician be considered prior to the results of an SSA consultative examination. • Ordered the development of new mental impairment standards and placed moratorium on mental impairment reviews until revised criteria were published. (Revised criteria were published in 1985.) • Authorized continuation of DI benefits and Medicare eligibility during appeal for all CDR cases through ALJ level through December 1987.
Omnibus Budget Reconciliation Act of 1986 (PL 99-509)	<ul style="list-style-type: none"> • Eliminated requirement that the annual rise in the CPI must exceed 3 percent in order for a cost-of-living adjustment to be paid to Social Security beneficiaries.

Appendix Exhibit A.6 (Continued)

**Major Legislation and Reforms Affecting Eligibility and Benefits in
Federal and State Social Insurance and Assistance Programs, 1977-1996**

Legislation	Provisions
SSDI (continued)	
Omnibus Budget Reconciliation Act of 1987 (PL 100-203)	<ul style="list-style-type: none"> • Authorized continuation of DI benefits and Medicare eligibility during appeal for all CDR cases through ALJ level through December 1988. • Expanded extended period of eligibility for automatic re-entitlement to DI benefits from 15 to 36 months beyond the end of the trial work period if an individual stops performing SGA.
Technical and Miscellaneous Revenue Act of 1988 (PL 100-647)	<ul style="list-style-type: none"> • Authorized continuation of DI benefits and Medicare eligibility during appeal for all CDR cases through ALJ level through December 1989. • Authorized payment of interim benefits to individuals whose cases have received a favorable decision from an administrative law judge but whose cases have been under review by the Appeals Council for more than 110 days.
Omnibus Budget Reconciliation Act of 1989 (PL 101-239)	<ul style="list-style-type: none"> • Authorized continuation of DI benefits and Medicare eligibility during appeal for all CDR cases through ALJ level through December 1990.
Omnibus Budget Reconciliation Act of 1990 (PL 101-508)	<ul style="list-style-type: none"> • Made permanent the continuation of DI benefits and Medicare eligibility during appeal for all CDR cases through ALJ level. • Made children adopted after the onset of disability eligible for benefits. • Established definition of disability for disabled widow(er)s equal to that for disabled workers. • Created a rolling five-year trial work period for all disabled beneficiaries. • Codified suspension of dependents' benefits when a disabled worker is in an extended period of eligibility.
Omnibus Budget Reconciliation Act of 1993 (PL 103-66)	<ul style="list-style-type: none"> • Made up to 85 percent of Social Security benefits subject to the income tax for recipients whose income plus one-half their benefit exceed \$34,000 (single) and \$44,000 (couple).
Social Security Independence and Program Improvement Act of 1994 [Alternate Title: Social Security Administrative Reform Act of 1994] (PL 103-296)	<ul style="list-style-type: none"> • Placed restrictions on DI and SSI payments to individuals whose drug addiction or alcoholism was material to the finding of disability: <ul style="list-style-type: none"> ➤ Limited payments to 36 months after the first month for which treatment is available. ➤ Required payment suspensions for individuals who did not comply with treatment requirements. ➤ Required gradual payments of retroactive benefits. ➤ Strengthened representative payee requirements giving preference to social service, Federal, State, and local agencies. ➤ Required the establishment of referral and monitoring agency contracts.

Appendix Exhibit A.6 (Continued)

**Major Legislation and Reforms Affecting Eligibility and Benefits in
Federal and State Social Insurance and Assistance Programs, 1977-1996**

Legislation	Provisions
AFDC/TANF	
Omnibus Budget Reconciliation Act of 1981 (PL 97-35)	<ul style="list-style-type: none"> • Established gross income limit at 150% of State need standard. • Capped the deduction for childcare at \$160 per child per month. • Set a standard deduction for other work expenses of \$75 per month for full-time workers. • Eliminated the work incentive disregard for working recipients after their first four months of work. • Established resource limit of \$1,000, home and one auto disregarded • Authorized the inclusion of the earned income tax credit advance amount in individual's earned income. • Required that a child must be under age 18 or, at State option, under age 19 and a full-time student who is expected to complete his or her secondary education to be eligible for benefits. • Authorized payments to families on the basis of unemployment only when the parent who is the principal earner is unemployed • Allowed payment to pregnant women under certain circumstances • Required the consideration of the income and resources of the immigration sponsors of aliens applying for AFDC in determining eligibility for and the amount of payment. Requirement was effective for three years after admission to U.S., but did not apply to those who became blind or disabled after admission, to refugees, or to persons granted political asylum. • Required that an individual over the age of 15 and not enrolled in an elementary, secondary, or vocational school must make themselves available for employment or employment-related services.
Deficit Reduction Act of 1984 (PL 98-369)	<ul style="list-style-type: none"> • Raised gross income limit to 185 percent of State need standard. • Extended \$30 plus one-third of remaining monthly earnings disregard to a period of twelve months. • Extended \$75 work expense disregard to part-time workers. • Established a disregard for the first \$50 per month of child support payments. • Allowed States to disregard the income of an AFDC child who is a full-time student. • Declared aliens ineligible for assistance for three years from date of entry unless the sponsoring agency is no longer in existence. • Authorized the counting of the EITC amount only when actually received. • Required States to include in the filing unit the parents and all minor siblings (but not any SSI recipient) living with a dependent child who applies for or receives AFDC. • Extended Medicaid coverage for a period of four months to dependent children and adult relatives who become ineligible for AFDC as a result of the collection of child or spousal support
Omnibus Budget Reconciliation Act of 1987 (PL 100-203)	<ul style="list-style-type: none"> • Made permanent the disregard for needs-based support and maintenance assistance.

Appendix Exhibit A.6 (Continued)

**Major Legislation and Reforms Affecting Eligibility and Benefits in
Federal and State Social Insurance and Assistance Programs, 1977-1996**

Legislation	Provisions
AFDC/TANF (continued)	
Family Support Act of 1988 (PL 100-485)	<ul style="list-style-type: none"> • Instituted Job Opportunities and Basic Skills (JOBS) Training program. • Required all States to implement Unemployed Parent (AFDC-UP) program. New programs could have time limits. • Guaranteed transitional childcare and Medicaid for families who leave AFDC because of increased earnings, hours of work, or loss of earnings disregards. • Increased work expense disregard and dependent care disregard • Required disregard of EITC payments. • Required provision of and/or reimbursement of certain work-related supportive services.
Omnibus Budget Reconciliation Act of 1990 (PL 101-508)	<ul style="list-style-type: none"> • Modified penalties for not participating in the JOBS program • Eliminated deeming rule for legal guardians. • Modified foster care and adoption provisions. • EITC payments are excluded as income when determining a family's eligibility under the 185 percent gross income limit
Omnibus Budget Reconciliation Act of 1993 (PL 103-66)	<ul style="list-style-type: none"> • Stepparent earned income disregard raised to \$90.
Medicare	
Social Security Disability Amendments of 1980 (PL 96-265)	<ul style="list-style-type: none"> • Provided continued Medicare coverage for up to 24 months after the termination of DI eligibility to medically disabled recipients whose DI eligibility ended because they engaged in SGA. • Eliminated second Medicare waiting period if a former disabled-worker beneficiaries who become entitled again within five years and former disabled widows or adult disabled children who become entitled again within seven years.
Tax Equity and Fiscal Responsibility Act of 1982 (PL 97-248)	<ul style="list-style-type: none"> • Required Federal employees to begin paying the Medicare HI tax and earn eligibility for HI coverage.
Social Security Amendments of 1983 (PL 98-21)	<ul style="list-style-type: none"> • Required employees of nonprofit organizations to begin paying the Medicare HI tax and earn eligibility for HI coverage.
Omnibus Budget Reconciliation Act of 1989 (PL 101-239)	<ul style="list-style-type: none"> • Provided individuals who continue to be disabled, but who are no longer entitled to DI benefits due to performance at or above SGA, the opportunity to purchase Medicare coverage by paying the HI and SMI premiums.
Medicaid	
Omnibus Budget Reconciliation Act of 1981 (PL 97-35)	<ul style="list-style-type: none"> • Established means for States to apply for and implement Freedom of Choice and Home and Community based care waivers. • Instituted a three-year reduction in Federal matching percentage
Deficit Reduction Act of 1984 (PL 98-369)	<ul style="list-style-type: none"> • Expanded coverage to certain pregnant women and young children.
Consolidated Omnibus Budget Reconciliation Act of 1985 (PL 99-272)	<ul style="list-style-type: none"> • Required States to cover all pregnant women meeting AFDC financial standards.
Omnibus Budget Reconciliation Act of 1986 (PL 99-509)	<ul style="list-style-type: none"> • Permitted coverage of pregnant women and children up to age 5 (on a phased in basis) meeting a State established income standard as high as 100 percent of poverty. • Established optional Qualified Medicare Beneficiary (QMB) coverage.
Omnibus Budget Reconciliation Act of 1987 (PL 100-203)	<ul style="list-style-type: none"> • Allowed States to extend coverage to pregnant women and infants with family incomes up to 185 percent of poverty.

Appendix Exhibit A.6 (Continued)

**Major Legislation and Reforms Affecting Eligibility and Benefits in
Federal and State Social Insurance and Assistance Programs, 1977-1996**

Legislation	Provisions
Medicaid (continued)	
Medicare Catastrophic Coverage Act of 1988 (PL 100-360)	<ul style="list-style-type: none"> • Mandated coverage of pregnant women and infants with family incomes up to 100 percent of poverty. • Expanded coverage of low-income Medicare beneficiaries (QMBs); phased in beginning January 1989. • Established guidelines to prevent "spousal impoverishment".
Family Support Act of 1988 (PL 100-485)	<ul style="list-style-type: none"> • Extended work transition coverage for families losing AFDC because of increased earnings. • Expanded coverage to include two-parent families eligible for AFDC-UP.
Omnibus Budget Reconciliation Act of 1989 (PL 101-239)	<ul style="list-style-type: none"> • Mandated coverage of pregnant women and children under age 6 with family incomes up to 133 percent of poverty
Omnibus Budget Reconciliation Act of 1990 (PL 101-508)	<ul style="list-style-type: none"> • Expanded coverage of low-income Medicare beneficiaries. • Expanded coverage to children whose family income is below 100 percent of poverty. • Instituted home and community-based care services as optional services to functionally disabled Medicaid beneficiaries age 65 and over. • Reformed COBRA continuation coverage allowing State Medicaid Programs to pay for COBRA continuation coverage. • Authorized Medicaid expansion demonstrations to test the effect of providing Medicaid to families with incomes below 150 percent of poverty.
Omnibus Budget Reconciliation Act of 1993 (PL 103-66)	<ul style="list-style-type: none"> • Declared that a child covered by Medicaid is eligible for private health insurance coverage carried by a non-custodial parent and mandated that States implement laws facilitating access to private coverage for such children.
Food Stamps	
Food Stamp Act of 1977 (PL 95-113)	<ul style="list-style-type: none"> • Eliminated the purchase requirement and allowed households to receive only the bonus portion of their coupon allotments (Effective January 1979). • Limited income deductions to a standard deduction, a 20-percent earnings deduction, and a limited combined excess shelter and childcare deduction. • Established the poverty guidelines as the new eligibility limits and required AFDC and SSI households to meet asset and income limits. • Tightened work registration requirements for students and for caretakers, whose children were under age 12. • Required parents under age 60 of children aged 12 or older to register for work and lowered maximum age requiring registration from 65 to 60.
PL 96-58	<ul style="list-style-type: none"> • Restored medical deduction, eliminated in 1977 legislation, for elderly and disabled households.
Omnibus Budget Reconciliation Act of 1981 (PL 97-35)	<ul style="list-style-type: none"> • Imposed "gross income" eligibility standard. • Lowered earnings deduction to 18 percent.
Food Stamp Amendments of 1982 (PL 97-253)	<ul style="list-style-type: none"> • Added net income limit for non-elderly and non-disabled households. • Expanded definition of disability to include certain veterans' payments.

Appendix Exhibit A.6 (Continued)

Major Legislation and Reforms Affecting Eligibility and Benefits in
Federal and State Social Insurance and Assistance Programs, 1977-1996

Legislation	Provisions
Food Stamps (continued)	
Food Security Act of 1985 (PL 99-198)	<ul style="list-style-type: none"> Extended disability definition to include recipients of State SSI payments, government disability benefits, and RR disability payments. Made households in which all members receive AFDC or SSI categorically eligible for food stamps. Increased earned income, childcare, excess shelter cost deductions, and asset limits. Mandated that portion of income received under the Job Training Partnership Act be considered countable income. Required all States to implement an employment and training program for food stamp recipients by April 1987.
Hunger Prevention Act of 1988 (PL 100-435)	<ul style="list-style-type: none"> Extended disability status extended to individuals who receive interim assistance pending the receipt of SSI, Social Security, or State disability payments. Required States to process food stamp applications jointly with AFDC and GA applications. Raised dependent care deduction from \$160 per household to \$160 per dependent.
Omnibus Budget Reconciliation Act of 1990 (PL 101-508)	<ul style="list-style-type: none"> Required formation of procedure for a concurrent application for SSI and Food Stamp Programs.
Omnibus Budget Reconciliation Act of 1993 (Mickey Leland Childhood Hunger Relief Act) (PL 103-66)	<ul style="list-style-type: none"> Established disregard for earnings of elementary and secondary students aged 21 or younger. Declared children of drug addicts and alcoholics living in treatment centers eligible for food stamps Permitted food stamp households participating in demonstration projects to accumulate up to \$10,000 in resources. Raised shelter cap to \$231 in July 1994, \$247 in October 1995 and eliminated entirely beginning in January 1997 Raised deduction for care of a child or other dependent under the age of 2 to \$200 and \$175 for all other dependents Revised definition of food stamp household to allow adult siblings who live together and adult children who live with their parents to form separate households if they purchase or prepare food separately.
General Assistance	
1981	<ul style="list-style-type: none"> Expansions: None Contractions: District of Columbia, New Hampshire
1982	<ul style="list-style-type: none"> Expansions: None Contractions: None
1983	<ul style="list-style-type: none"> Expansions: None Contractions: Pennsylvania
1984	<ul style="list-style-type: none"> Expansions: Minnesota Contractions: None
1985	<ul style="list-style-type: none"> Expansions: None Contractions: Delaware
1986	<ul style="list-style-type: none"> Expansions: None Contractions: Louisiana, Oklahoma

Appendix Exhibit A.6 (Continued)

Major Legislation and Reforms Affecting Eligibility and Benefits in Federal and State Social Insurance and Assistance Programs, 1977-1996

Legislation	Provisions
General Assistance (continued)	
1987	<ul style="list-style-type: none"> • Expansions: None • Contractions: Indiana, Kansas, West Virginia
1988	<ul style="list-style-type: none"> • Expansions: None • Contractions: None
1989	<ul style="list-style-type: none"> • Expansions: None • Contractions: None
1990	<ul style="list-style-type: none"> • Expansions: None • Contractions: None
1991	<ul style="list-style-type: none"> • Expansions: None • Contractions: None
1992	<ul style="list-style-type: none"> • Expansions: None • Contractions: District of Columbia, Illinois, Maine, Massachusetts, Maryland, Michigan, Minnesota, Ohio, Virginia
1993	<ul style="list-style-type: none"> • Expansions: None • Contractions: Arizona, Maryland, Montana, Rhode Island
1994	<ul style="list-style-type: none"> • Expansions: None • Contractions:
1995	<ul style="list-style-type: none"> • Expansions: None • Contractions: Florida (Dade County), Hawaii, Illinois, Maryland, Minnesota, New Mexico, Ohio, Oregon, Vermont, Wisconsin
1996	<ul style="list-style-type: none"> • Expansions: Maryland • Contractions: Arizona, Connecticut, District of Columbia, Hawaii, Pennsylvania, Virginia (Fairfax County)

APPENDIX B

SUMMARY OF SPECIFIC WELFARE REFORM EVALUATIONS

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Appendix Exhibit B.1
Arizona EMPOWER Welfare Reform Program Evaluation

Arizona Employment and Moving People Off Welfare and Encouraging Responsibility (EMPOWER) Welfare Reform Program	
<i>Evaluator:</i>	Abt Associates Inc.
<i>Sponsor:</i>	Arizona Department of Economic Security, Office of Evaluation
<i>Subcontractors:</i>	Lecroy and Milligan Associates
<i>Contact:</i>	Greg Mills, Abt Associates Inc.
<i>Contact phone #:</i>	617-349-2823
Program Description:	
<i>Overview:</i>	The EMPOWER program seeks to expand opportunities to work and save money while strengthening personal responsibility by placing restrictions on program participation.
<i>Sites:</i>	<ul style="list-style-type: none"> • Experimental Sites: Glendale, Maryvale, Peoria, and Chinle. • Comparison sites: The Royal Palm, East Southern, and Tuba City offices of the Family Assistance Administration.
<i>Target Population (Requirements for eligibility or exemption):</i>	<ul style="list-style-type: none"> • Recipients/ participants • Single-parent families • Two-parent families
<i>Program Objectives:</i>	To increase opportunities to work and save money and to strengthen personal responsibility by placing restrictions on program participation.
<i>Program Components:</i>	<ul style="list-style-type: none"> • No grant increase for additional children born while on welfare (Family Cap provision). • Reduced benefits for noncompliance (JOBS and multi-program sanctions are strengthened). • JOBS becomes required for younger teens, and living arrangements are made for unwed pregnant or parenting minors. • The 100-hour rule is eliminated, and the asset limit is increased. The program offers Individual Development Accounts (IDAs) where participants can put away up to \$100 each month, up to \$9,000 towards education and training. • Services offered include transitional child care, transitional health benefits, and multiple services located in a single location. • Time limit of 24 months in any 60-month period.

Appendix Exhibit B.1 (Continued)
Arizona EMPOWER Welfare Reform Program Evaluation

Evaluation Description:	
<i>Period Covered:</i>	June 1996- June 2002
<i>Overview:</i>	This evaluation assesses the components of the Arizona EMPOWER program. This evaluation includes impact, implementation, and cost-benefit studies.
<i>Sites Studied / Sample:</i>	<p>Sites:</p> <p>EMPOWER:</p> <ul style="list-style-type: none"> • Glendale, Maryvale, Peoria, and Chinle • Sample: 5,829 welfare recipients randomly assigned into 2,983 program and 2,846 control group members. <p>EMPOWER Comparison sites: The Royal Palm, East Southern, and Tuba City offices of the Family Assistance Administration.</p>
<i>Impact Study</i>	Experimental: This study examines the effects of the intervention on participants, using both administrative data and client survey data, to determine program impact. Overall program effects and separate program provisions will be evaluated.
<i>Implementation / Process Study</i>	Descriptive/ Analytical: This study provides a comprehensive picture of development, planning, start-up, and ongoing operations of the program components, as well as provides information about the replicability of the program and its impacts.
<i>Cost-Benefit Study:</i>	Descriptive/ Analytical: This study examines the cost-benefit implications from the perspectives of participants, the Federal government, the State government, and society as a whole.

Appendix Exhibit B.1 (Continued)
Arizona EMPOWER Welfare Reform Program Evaluation

Evaluation Description (Continued):	
<i>Data Sources:</i>	<p>Administrative Data:</p> <ul style="list-style-type: none"> Program documents, data from automated systems and statistical records on public benefits, JOBS program, child support and enforcement, unemployment earnings, and child protective services. Records on all program participants in Glendale, Maryville, Peoria, and Chinle. <p>Field Research:</p> <ul style="list-style-type: none"> Key respondent interviews with state and local office DES staff, other relevant agency staff, state and local advocacy and public interest groups, local employers, and employer and employee organizations; observation of program activities focusing on program policies, rules and services communicated to clients visits conducted to EMPOWER research offices in Fall 1996, Spring 1998, Spring 1999 and Spring 2001. <p>Focus Groups:</p> <ul style="list-style-type: none"> 3 groups of 8-10 welfare recipients to examine the effects of time limits and job sanctions Data collected in Glendale, Maryvale, and Peoria during Spring 1998 and Spring 2001. <p>Interviews:</p> <ul style="list-style-type: none"> Telephone interviews with employers using extended TMA/ TCC benefits to examine employer-provided health care and cost coverage of child care plans. welfare recipients in the EMPOWER experimental offices who were closed for procedural reasons. Non-random assignment of <p>Surveys:</p> <ul style="list-style-type: none"> Small scale-supplemental client telephone surveys sampling 25 respondents within treatment group. Data collected in Spring 1998 and Spring 2001 in Maricopa County, Arizona. Primary follow-up telephone and in-person survey with EMPOWER clients. Wave 1, Spring 1998: 1,100 welfare recipients in the EMPOWER program are randomly assigned to be in control and experimental groups. Wave 2: 400 welfare recipients who were ongoing recipients in October 1995 or who entered cash assistance between November 1995 and July 1997. Data is collected in Glendale, Maryvale, Peoria, and Chinle.
<i>Outcomes</i>	<p>Employment (job attainment and retention), changes in the welfare office environment, welfare benefits, financial costs/ benefits/ cost-effectiveness, homelessness, housing, child support payments, school attendance, earnings, Food Stamp receipt, Medicaid receipt, welfare receipt, program implementation, service utilization, and standard of living.</p>

Appendix Exhibit B.2
Connecticut's Jobs First: Welfare Reform Evaluation Project

Connecticut's Jobs First: Welfare Reform Evaluation Project	
<i>Evaluator:</i>	Manpower Demonstration Research Corporation (MDRC)
<i>Sponsor:</i>	Connecticut Department of Social Services
<i>Subcontractors:</i>	N/A
<i>Contact:</i>	Dan Bloom, MDRC
<i>Contact phone #:</i>	(212) 532-3200
Program Description:	
<i>Overview:</i>	Jobs First incorporates time limits (21 months), work requirements, and work incentives.
<i>Sites:</i>	Manchester and New Haven
<i>Target Population (Requirements for eligibility or exemption):</i>	<p>All non-exempt welfare recipients are required to participate in this program. An exemption is granted to any recipient who is:</p> <ul style="list-style-type: none"> • Incapacitated and unable to work; • A caretaker of an incapacitated household member; • Age 60 years or older; • Caring for a child under age one (unless the child was born after the Family Cap was in place); • Pregnant, or a mother who has recently given birth (with doctor's confirmation); • A parent under the age of 18; or • Deemed unemployable. Recipients are determined unemployable if they have not found a job by the 20th month of time limited assistance despite good faith efforts, have not completed the 6th grade, and have worked three months or less in the last 5 years.
<i>Program Objectives:</i>	Financial independence

Appendix Exhibit B.2 (Continued)
Connecticut's Jobs First: Welfare Reform Evaluation Project

Program Description (continued):	
<i>Program Components:</i>	<ul style="list-style-type: none"> • Child support is paid directly to the parent. \$100 is disregarded in the calculation of monthly cash grant. • Participants are required to look for jobs or participate in employment-related activities targeted to rapid employment. • A 21-month time limit on cash assistance. The State will grant renewable 6 month extensions to certain recipients who reach the time limit and request continued assistance (i.e., those who have insufficient family income despite efforts to find employment or those who face circumstances such as domestic abuse that prevent them from working). • Benefits are reduced for noncompliance, and JOBS sanctions are strengthened. • Partial benefit increase for children conceived while the parent is on assistance (Modified Family Cap provision). • For recipients subject to the time limit, all earned income is disregarded in calculating the monthly cash grant as long as earnings are below the federal poverty level. Recipients are permitted to accumulate more assets and to own more valuable cars. • Changes in the welfare office environment and simplification of program rules are implemented. • The development of partnerships with other organizations and program enforcement of sanctions is studied. • Transitional health benefits are continued for 24 months for former recipients.
Evaluation Description:	
<i>Period Covered:</i>	January 1996 – December 2001
<i>Overview:</i>	This evaluation includes impact (experimental), cost-benefit, and child outcomes studies.
<i>Sites Studied / Sample:</i>	<p>Sites: Manchester, Connecticut; New Haven, Connecticut.</p> <p>Sample: 6,090 welfare applicants and recipients randomly assigned to program/control groups. Program group members could access Jobs First services and make use of the income disregard; they were also subject to the additional requirements of the program. Control group members continued to receive TANF benefits and were free to seek out other sources for support services.</p>
<i>Impact Study Overview:</i>	Experimental / Descriptive: This quantitative study is designed to obtain unbiased and precise estimates of program effects over and above the regular AFDC and JOBS programs provided to control individuals. Additionally, the study provides a description of program implementation, a context for understanding cost-benefit analysis and a distillation of operational lessons (with a goal of identifying “best practices”).

Appendix Exhibit B.2 (Continued)
Connecticut's Jobs First: Welfare Reform Evaluation Project

Evaluation Description (continued):	
<i>Cost-benefit Study Overview:</i>	Descriptive / Analytical: Quantitative measurement of benefits and costs to welfare recipients, taxpayers, and government budgets.
<i>Child Outcomes Study Overview:</i>	Descriptive / Analytical: Quantitative / Qualitative enhanced survey developed to obtain information about Jobs First's impact on children, focusing on sample members with a child between ages 5 and 12 at the time of the interview. Projected sample size of 2,433 completions, including a small sample with children of other ages.
<i>Data Sources:</i>	<p>Administrative data:</p> <ul style="list-style-type: none"> • Administrative data from program accounting data records (automated records containing staff and program-related non-personnel costs) • Administrative data from UI records, AFDC records, and Food Stamp records, which will cover years 1994-2000. • Client participation data for a sub-sample of program and control group members collected using administrative data / case studies. <p>Field research:</p> <ul style="list-style-type: none"> • Field research from biannual rounds of interviews, observations, and site visits made throughout the course of the project. <p>Survey:</p> <ul style="list-style-type: none"> • Child outcomes survey: enhanced survey developed to obtain information about Jobs First's impacts on children. Target measures include child-care, education, health and safety, and social and emotional adjustment. <p>Self-administered staff surveys, 1997.</p> <ul style="list-style-type: none"> • In-person baseline information form (BIF) surveys collected (before random assignment) on all program and control group members. • The first survey was conducted in summer 1996 for 294 sample members randomly assigned 3/96-4/96. The second wave was conducted in spring 1997 for 194 sample members randomly assigned 11/96-12/96. <p>Follow-up:</p> <ul style="list-style-type: none"> • Two waves of telephone respondent surveys conducted 3-6 months after random assignment. The first survey was conducted in summer 1996 for 294 sample members randomly assigned 3/96-4/96. The second wave was conducted in spring 1997 for 194 sample members randomly assigned 11/96-12/96. • Eighteen-month in-person and telephone surveys conducted in Fall 1997 on a random sample of the program and control group members. • Three-year in-person and telephone surveys on over 3,000 randomly sampled welfare recipients. To be conducted in 1999. <p>Non-administrative data:</p> <ul style="list-style-type: none"> • Other published data sources establishing values used in cost-benefit analysis (valuation of fringe benefits, taxes, admin. costs, and certain employment and training services).

Appendix Exhibit B.2 (Continued)
Connecticut's Jobs First: Welfare Reform Evaluation Project

Evaluation Description (continued):	
<i>Outcomes / Impacts Examined by These Studies:</i>	HS credential attainment, job attainment, job readiness and retention, hours worked for wages, earnings, welfare receipt, food stamp receipt, child support payments, family stability, service utilization, standard of living, attitudes towards work and welfare, child developmental outcomes, births and pregnancies, and cost-effectiveness. Child Outcomes Survey: child-care, education, health and safety, social and emotional adjustment.

Appendix Exhibit B.3
Florida Family Transition Program (FTP) Evaluation

Florida Family Transition Program (FTP) Evaluation	
<i>Evaluator:</i>	Manpower Demonstration Research Corporation (MDRC)
<i>Sponsor:</i>	Florida Department of Children and Families
<i>Subcontractors:</i>	Abt Associates, Inc.
<i>Contact:</i>	Barbara Goldman and Dan Bloom, MDRC
<i>Contact phone #:</i>	(212) 532-3200
Program Description:	
<i>Overview:</i>	FTP combines a time limit of 24 or 36 months with an array of enhanced services, parental responsibility requirement, and financial incentives designed to help recipients find and hold jobs.
<i>Sites:</i>	Escambia County, Florida
<i>Target Population (Requirements for eligibility or exemption):</i>	<p>All non-exempt welfare recipients must participate. Those eligible for exemption include:</p> <ul style="list-style-type: none"> • A disabled or incapacitated adult; • A full-time caretaker of a disabled dependent person; • A caretaker relative whose needs are not met through the benefits; • A person who is under 18 years of age who either remains in an educational program or is working at least 30 hours per week to support his (or her) family; • A parent who has a child six months of age or younger and who, at the same time that child was born, was not subject to the time limit provision; or • A recipient who is 62 years of age or older.
<i>Program Objective:</i>	To help recipients find and hold jobs.
<i>Official Goal</i>	Assist families in gaining self-sufficiency by providing enhanced services and supports.

Appendix Exhibit B.3 (Continued)
Florida Family Transition Program (FTP) Evaluation

Program Description (continued):	
<i>Program Components:</i>	<ul style="list-style-type: none"> • Participants lacking high school diplomas or who have low literacy skills are assigned to ABE or GED classes at community institutions. “Career Transition Centers” are computer learning centers contracted with a local junior college. • Employability skill workshops include a job readiness course and a course on job-seeking and job-holding skills. Short-term occupational training programs are offered through the program or through a junior college. • The first \$200 plus one-half of any remaining earnings is disregarded in calculating a family’s monthly grant. • The program offers several workshops, such as a two-week course called “Survival Skills for Women” and a separate course in parenting skills. Subsidized child-care, payments for transportation and other work-related expenses, mental health counseling, and health services are provided by an on-site nurse. Enhanced case management is intended to shift the system’s day-to-day focus from income maintenance to self-sufficiency. • Most recipients are limited to 24 months of AFDC receipt in any 60-month period. Particularly disadvantaged recipients are assigned a limit of 36 months of receipt in any 72-month period.
Evaluation Description:	
<i>Period Covered:</i>	May 1994 – December 1999
<i>Overview:</i>	This study includes impact (experimental), cost-benefit, implementation / process, and child outcome studies.
<i>Sites Studied / Sample:</i>	<p>Sites: Escambia County, Florida, which includes Pensacola.</p> <p>Sample: 5,430 welfare applicants and recipients assigned between 5/94 – 10/96. The program was mandatory for all non-exempt welfare recipients. Participants were randomly assigned to a program or control group. Program group members had access to enhanced FTP services, whereas control group members had access to the regular Project Independence (Jobs) Program.</p>
<i>Impact Study Overview:</i>	Experimental: This quantitative study will determine whether financial incentives and time limits encourage people to find jobs and leave welfare more quickly.
<i>Cost-Benefit Study Overview:</i>	Descriptive / Analytical: This study assesses the new benefits and costs of FTP compared to the pre-existing AFDC/Project. Independence system from the perspective of government, taxpayers, and individuals subject to the program.
<i>Implementation / Process Study Overview:</i>	Descriptive: This qualitative study assesses the internal structure of the FTP operations and the operational issues confronted by staff and participants.

Appendix Exhibit B.3 (Continued)
Florida Family Transition Program (FTP) Evaluation

Evaluation Description (continued):	
<i>Child Outcomes Study Overview:</i>	Descriptive / Analytical: Quantitative / Qualitative enhanced survey developed to obtain information about FTP's impact on children, focusing on sample members with a child between ages 5 and 12 at the time of the interview. Projected sample size of 1,684 completions, including a small sample with non-focal-aged children.
<i>Post Limit Study</i>	Focus is on a small group of FTP group members who reached the time limit between 11/96-5/98. Assesses their attitudes, economic circumstances, and plans for meeting needs in the future. Will be interviewed at the end of the time limit, six months, twelve months, and 18 months later.
<i>Data Sources:</i>	<p>Administrative data:</p> <ul style="list-style-type: none"> • AFDC, Food Stamp, and UI (monthly earnings and employment) records for all program and control group members, collected 1993 - 1998. • Case files for 200 welfare recipients, collected within 18 months of random assignment. Subsample of single parents randomly assigned. • Random subsample of single poorest cases randomly assigned May 1994 – December 1994. <p>Interview:</p> <ul style="list-style-type: none"> • A number of rounds of key informant interviews and observations have been and will be conducted. <p>Survey:</p> <ul style="list-style-type: none"> • Self-administered staff survey of 126 Escambia County welfare staff, collected summer 1996. • Brief telephone survey of randomly selected single-parent recipients assigned 2/95, collected 4/95 – 5/95. • In-person Background Information Forms (BIF) and Self-Administered Personal Opinion Survey (POS) conducted before random assignment on all program and control group members. This represents approximately 98% completion of BIF. • Follow-up: Two-year survey on random sample of 903 welfare recipients (299 program group, 604 control group) assigned to program 8/94 – 2/95. • Follow-up: Four-year survey on random sample of 1,685 welfare recipients (840 program group, 845 control group) assigned to program 12/94 – 2/95 • Child outcomes survey: enhanced survey developed to obtain information about FTP's impacts on children. Target measures include child-care, education, health and safety, social and emotional adjustment. • In-home survey of 72 program group members who reached the time limit between 11/96-3/98.

Appendix Exhibit B.3 (Continued)
Florida Family Transition Program (FTP) Evaluation

Evaluation Description (continued):	
<i>Outcomes / Impacts Examined by These Studies:</i>	Attitudes towards work and welfare, attitudes towards program, benefit termination, HS and vocational training credential attainment, school attendance, job attainment and retention, hours worked for wages, earnings, Food Stamp receipt, welfare receipt, Medicaid receipt, child-care receipt, service utilization, births and pregnancies, family formation and stability, living arrangements, cost-effectiveness, health, sanction frequency. Child Outcomes Survey: child-care, education, health and safety, social and emotional adjustment

Appendix Exhibit B.4
Indiana Manpower Placement and Training Program Evaluation

Indiana Manpower Placement and Training (IMPACT) Program	
<i>Evaluator:</i>	Abt Associates, Inc.
<i>Sponsor:</i>	State of Indiana (Department of Health and Human Services?)
<i>Contact:</i>	David Fein, (301) 913-0548
Program Description:	
<i>Overview:</i>	Indiana Manpower Placement and Training Program stresses accountability and responsibility, using financial incentives / disincentives and expanded program requirements to achieve its objectives.
<i>Sites:</i>	Indiana—Statewide, 92 Counties.
<i>Target Population (Requirements for eligibility or exemption):</i>	<p>All nonexempt welfare recipients must participate. Exemptions include, but are not limited to:</p> <ul style="list-style-type: none"> • Mothers with children less than 12 weeks old • Minor parents, who must live with a parent or guardian
<i>Program Objectives:</i>	To encourage self-sufficiency, by making transitional assistance available to those that are job-ready, intensifying job training and placement services, strengthening work incentives, and promoting reasonable parenting behaviors.
<i>Program Components:</i>	<ul style="list-style-type: none"> • The program focuses on working and finding employment and less on education and training. Employment ready enrollees are placed on the “Placement Track” and are subject to stricter sanctions, 2-year time limits, and are offered greater financial incentives to work. • Two-year time limit. The limit is extended one month for each six-month period of employment by any member of the family. Extensions will also be granted if the family has substantially complied with self-sufficiency plans and JOBS requirements and is still unable to find work that pays at least the AFDC benefit amount. • The family cap denies an increase in cash benefits to a mother who has a child while on welfare. Instead, a \$29.50 monthly voucher is provided. A child born with substantial physical or mental disabilities can still receive full cash benefits. • Any recipient who quits a job of 20 hours per week or more will lose their benefits for six months, or will not be eligible to apply for AFDC within six months. • Requires dependent children to attend school

Appendix Exhibit B.4 (Continued)
Indiana Manpower Placement and Training Program Evaluation

Program Description (continued):	
	<ul style="list-style-type: none"> Requires applicants to sign a personal responsibility agreement, which commits them to getting their children immunized and job search activities in exchange for AFDC benefits. Eligibility test is 110% of federal poverty level. AFDC resource limit is \$1500. For the purposes of determining Food Stamp eligibility and benefits, child support payments and earnings for a 6-month period following the initiation of employment are disregarded. Establishes Food Stamp eligibility periods that are consistent with those in Maryland AFDC. The program allows employed AFDC recipients the option of receiving child care or an AFDC payment equal to the family's benefit before employment. The transitional child care or AFDC payment is limited to 12 months in the period of demonstration.
Evaluation Description:	
<i>Period Covered:</i>	1996-2003
<i>Overview:</i>	The evaluation includes a process study, a benefit-cost study, and an impact study.
<i>Sites Studied / Sample:</i>	<p>Sites: Indiana</p> <p>Sample: Randomly assigns welfare recipients into a treatment or control group. The process (and impact/cost-benefit) study sites selected include 8 counties: Clark, Lake, Madison, Marion, Miami, St. Joseph, Vigo, and Wabash counties. The impact study sample includes families who were on welfare (recipient population) when reform began in May 1995, and those who applied (applicant population) for assistance during the following year. The recipient population includes 8,576 treatment and 2,130 control group families while the applicant population includes 6,393 treatment and 476 control group families.</p>
<i>Process Study Overview:</i>	Descriptive: In this study, the development of the State's goals and their translation into program components will be reviewed. In particular, program design and management will be examined at all levels and examines individual reform components. The success of Work First will be monitored as the program's focus and the integration of all program components.
<i>Impact Study Overview:</i>	Experimental: In the quantitative study, the effectiveness of the IMPACT program on families+ receiving assistance will be analyzed. In particular, the study will focus on the following factors: changes in family income, reduction of welfare reliance, children's well-being, and responsible childbearing and family stability.
<i>Cost-Benefit Study Overview:</i>	Descriptive / Analytic: This quantitative study will assess whether or not reform is cost-effective in improving a family's well-being.
<i>Data Sources:</i>	<ul style="list-style-type: none"> Administrative data (AFDC and JOBS records), field research, non-administrative data: Site visits which include interviews (below) and observations of client interaction. Interviews with FSSA Central Office staff as well as interviews with program staff in eight local sites. Client follow-up surveys and mail surveys of program administrators state-wide.
<i>Outcomes / Impacts Examined by These Studies:</i>	<p>Process: Examines the success of program component integration and determines that after one year, most program features were successfully implemented and fully operational.</p> <p>Impact: Measurement of welfare use, eligibility, and caseload. Specifically, the percentage of families receiving welfare payments, the average, total AFDC payments received, and the percentage of families technically eligible for AFDC.</p>

Appendix Exhibit B.5 Iowa Family Investment Plan Evaluation

Iowa's Limited Benefit Plan	
<i>Evaluator:</i>	Mathematica Policy Research, Inc. (MPR)
<i>Sponsor:</i>	Iowa Department of Human Services
<i>Subcontractors:</i>	Institute for Social and Economic Development
<i>Contact:</i>	Tom Fraker
<i>Contact phone #:</i>	(202) 484-4698
Program Description:	
<i>Overview:</i>	Under federal waiver, Iowa replaced AFDC with its Family Investment Plan (FIP) in fiscal year 1994. The FIP aims at helping welfare recipients become responsible and independent while taking steps towards self-sufficiency through job search, training/education and work experience. A subcomponent of FIP is the Limited Benefit Plan (LBP). The LBP uses reduced benefits (benefits only as much as the Family Investment Plan's child payments) to induce FIP-non-compliant adults into compliance.
<i>Sites:</i>	Iowa
<i>Target Population (Requirements for eligibility or exemption):</i>	<p>FIP Program</p> <ul style="list-style-type: none"> Included welfare recipients who were randomly assigned to control or treatment groups. Control group members received benefits under the old program. Treatment group members received benefits under FIP. <p>LBP</p> <ul style="list-style-type: none"> Include individuals who did not sign the Family Investment Agreement or who were not compliant with the FIP program.
<i>Program Objectives:</i>	To increase self-sufficiency among welfare recipients. The goal of LBP was to use sanctions to encourage participation in/compliance with the Iowa Family Investment Plan

Appendix Exhibit B.5 (Continued)
Iowa Family Investment Plan Evaluation

Program Description (continued):	
<i>Program Components:</i>	<p>FIP</p> <ul style="list-style-type: none"> • Recipients required to help develop a social contract, the Family Investment Agreement (FIA), that establishes activities and a time frame for achieving self-sufficiency • Time frame serves as a time limit on benefit receipt, but the time frame is negotiable if it unworkable • Families that opt not to develop an FIA or who fail to comply with it are placed in the six month Limited Benefit Plan (LBP) • Earnings disregards • Two years of available child care assistance • Recipients may accumulate/build assets through an Individual Development Account (IDA) • Asset ceiling of \$5,000 (raised from \$1,000 under AFDC), vehicle asset ceiling \$3,000 per automobile • Requires recipients capable of work to participate in PROMISE JOBS (employment and training program)—this generally includes all FIP participants although there are exemptions. <p>LBP</p> <ul style="list-style-type: none"> • Non-compliance with FIA results in three months of reduced cash benefits, followed by six months of no cash benefits (if recipients do not become compliant during that period). • Recipients are subject to broad JOBS requirements

Appendix Exhibit B.5 (Continued)
Iowa Family Investment Plan Evaluation

Evaluation Description:	
<i>Period Covered:</i>	May 1997 – April 2000
<i>Overview:</i>	The project includes a process study, cost-benefit analysis, interim impact study, and a final impact study. The process, cost-benefit analysis, and interim impact studies have been completed. The final impact study will use an experimental and quasi-experimental approach. The Track 2 study includes an evaluation of the LBP.
<i>Sites Studied</i>	Sites: Iowa
<i>Final Impact Study</i>	The final impact study will compare treatment and control cases through March 1997. This will provide 13 quarters of information on treatment and control group members since FIP began. After March 1997, both the treatment and control group members will be subject to the same rules under FIP. Six quarters of information on these individuals will be used in the analysis. In the final six quarters, all cases (treatment and control) will be compared to the control cases during the first 13 quarters.
<i>Data Sources:</i>	<ul style="list-style-type: none"> • Administrative data • Client Survey • Focus Groups
<i>Outcomes / Impacts Examined by These Studies:</i>	Attitudes towards work and welfare, attitudes towards the program, benefit termination, emotional well-being, job attainment, hours worked for wages, child support payments, earnings, Food Stamp receipt, Medicaid receipt, welfare receipt, homelessness, residential mobility, family formation and stability/living arrangements

Appendix Exhibit B.6 Minnesota Family Investment Programs

Minnesota Family Investment Programs (MFIP)	
<i>Evaluator:</i>	Manpower Demonstration Research Corporation (MDRC)
<i>Sponsor:</i>	State of Minnesota Department of Health Services
<i>Subcontractors:</i>	Research Triangle Institute, Inc. Wilder Research Center
<i>Contact:</i>	Virginia Knox, MDRC
<i>Contact phone #:</i>	(212) 532-3200
Program Description:	
<i>Overview:</i>	MFIP incorporates financial incentives and mandatory participation in employment-focused services for long-term recipients.
<i>Sites:</i>	Hennepin County (Minneapolis), Anoka County, Dakota County, Mille Lacs County, Morrison County, Sherburne County, Todd County, and Ramsey County (St. Paul),
<i>Target Population</i>	All non-exempt welfare recipients.
<i>Program Objectives:</i>	To encourage work, alleviate poverty, and reduce welfare dependency
<i>Program Components:</i>	<ul style="list-style-type: none"> • MFIP combines AFDC, Family General Assistance, and Food Stamps. Additionally, two-parent families no longer face multiple work history requirements and work effort limitations. • ABE, ESL, GED, HS and post-secondary education are offered. • Intensive employment and training services after single-parent families have received assistance for 24 of the last 36 months and for two-parent families after they have received assistance for 6 of the last 12 months. • Sanctions for non-compliance. • Earned income disregard of 38% after raising basic grant 20% if employed. MFIP allows families to receive supplemental benefits while they work until their income reaches 140% above the poverty level. The 100-hour rule is eliminated and recipients' asset limit is raised. Work-related expenses are covered. • Recipients receive Food Stamp benefits as part of the cash public benefits, instead of separately as coupons. • Clients are assigned to mandatory case management if they have received assistance for 24 of the last 36 months (single-parent families) or 6 of the last 12 months (two-parent families). Child-care is paid directly to provider. Case management in Ramsey County places stronger emphasis on immediate employment and becomes mandatory for single parents after 12 months of receiving assistance.

Appendix Exhibit B.6 (Continued)
Minnesota Family Investment Programs

Evaluation Description:	
<i>Period Covered:</i>	January 1993 – December 1999
<i>Overview:</i>	The Track 1 evaluation includes impact, implementation, cost-benefit, and child outcome studies. The Track 2 evaluation includes a comparative impact evaluation of Minnesota's Work FIRST program and the state's TANF program. WorkFIRST uses a mandatory labor force attachment strategy whereas MFIP uses a progress labor force model in which work is regarded through a more liberalized structure of income disregards.
<i>Sites Studied / Sample:</i>	<ul style="list-style-type: none"> • Sites: Hennepin County (Minneapolis), Anoka County; Dakota County, Mille Lacs County, Morrison County, Sherburne County, Todd County, Ramsey County (St. Paul); all of these sites are in Minnesota. • Sample: 14,369 welfare recipients randomly assigned to MFIP (7,208) or a control group (7,431). AFDC recipients did not have access to MFIP services or incentives, although they were not subject to the MFIP sanctions. • AFDC recipients potentially eligible to receive Food Stamps and the opportunity to enroll in STRIDE, Minnesota's traditional welfare-to-work program that focuses on education and training.
<i>Impact Study Overview:</i>	The quantitative study examines the impact, when compared with the AFDC system, of providing and marketing financial incentives in combination with time-triggered mandatory employment and training services. The study also uses outcomes from a third research group receiving MFIP's financial incentives, but not subject to mandatory employment services, to examine the impact of providing financial incentives alone.
<i>Implementation / Process Study Overview:</i>	Descriptive / Analytical / Theoretical: This quantitative / qualitative study tries to yield lessons regarding the feasibility of replicating the program elsewhere by explaining the factors (especially financial incentives and case management) that contribute to the program's impacts.
<i>Cost-Benefit Study Overview:</i>	Descriptive / Analytical: This quantitative study attempts to assess MFIP's benefits and costs from four different perspectives: social, taxpayers', budgetary, and recipients'. The cost portion of the analysis will estimate the program's average gross cost per person in each of the program groups and also its average net cost. The benefits of the program will be drawn from the analysis of the program's impacts.
<i>Child Outcome Study Overview:</i>	Descriptive / Analytical: Quantitative / Qualitative enhanced survey developed to obtain information about Jobs First's impact on children. Collected 36 months after random assignment from all children of participant and control group members.

Appendix Exhibit B.6 (Continued) Minnesota Family Investment Programs

Evaluation Description (continued):	
<i>Data Sources:</i>	<p>Administrative Data and Field Research:</p> <ul style="list-style-type: none"> • AFDC, Food Stamp Family General Assistance, MFIP benefit, and UI earnings records from 14,369 welfare applicants and clients (complete control and program groups) after random assignment. • Interviews and site visits • Information from several rounds of key informant interviews, observations, and site visits; an additional round is scheduled for mid-1998. <p>Survey:</p> <ul style="list-style-type: none"> • Child outcomes survey, an enhancement to the 36-month client survey developed to obtain information about MFIP's impacts on children. Target measures include child-care, education, health and safety, and social and emotional adjustment. • Self-administered staff time surveys from all employment and training case managers, collected 11/96. • Self-administered staff attitude surveys completed by all MFIP and STRIDE case managers in 11/95. • Staff attitude and time surveys taken from a subset of all AFDC financial workers and all MFIP financial workers, collected 9/95. • In-person and telephone 36-month client survey conducted on a 4,000 welfare applicants and clients (a random sample of all program and control group members). • In-person and through a 12-month client survey by telephone, 1,342 welfare recipients to be randomly assigned from 9/94 – 12/94. These surveys were conducted in Hennepin (Minneapolis), Anoka, and Dakota counties only. • Self-administered Personal Opinion Survey (POS) collected at baseline for 14,639 welfare applicants and clients (all program and group members sampled). <p>Self-Administered Personal Baseline Information form completed by all 14,639 welfare applicants and clients (all program and control group members sampled). Collected at baseline. Data was not collected for control group members in Ramsey County (St. Paul).</p>
<i>Outcomes / Impacts Examined by These Studies:</i>	<p>Attitudes towards work and welfare, attitudes towards the program, HS credential receipt, school attendance, emotional well-being, job attainment and retention, number of hours worked for wages, standard of living, earnings, Food Stamps receipt, welfare receipt, births / pregnancies, family formation and stability / living arrangements, parent-child interactions, cost-effectiveness, health, residential mobility, child support payments, program implementation, and service utilization.</p>

F.

Appendix Exhibit B.7
Nebraska's Employment First Program Evaluation

<i>Evaluator:</i>	Mathematica Policy Research
<i>Sponsor:</i>	Nebraska Department of Health and Human Services
<i>Contact:</i>	Michael Ponza
<i>Contact phone #:</i>	(609) 275-2361
Program Description:	
<i>Sites:</i>	Statewide program that started in July 1997. The program was originally piloted in 1995 in Lancaster, Adams, Clay, Nuckolls and Webster counties.
<i>Target Population (Requirements for eligibility or exemption):</i>	All welfare recipients.
<i>Program Objectives:</i>	To assist people in the transition from welfare to work and help families and individuals achieve self-sufficiency through job training, education, and support.
<i>Program Components:</i>	<ul style="list-style-type: none"> • Intensive case management based on assessment and a self-sufficiency contract and employability plan. • Job search, education (High School, GED, ESL, ABE), post-secondary education (up to 24 months), and job skills training. • Support services available (child care, transportation, assistance in buying books, clothing and paying tuition). • Cash assistance time-limited benefits to 2 out of every 4 years, but 24-month time limits may be extended if there is no available job. • Strict, full-family sanctions (imposed as a last resort only after review and mediation). • Temporary or permanent exemptions from participation (good cause necessary). • Earnings and assets disregards. • No additional cash assistance paid for children born 10 months after a family begins receiving assistance. (children may receive medical assistance, Food Stamps, child care) • Up to 24 months of child care and Medicaid transitional benefits.

Appendix Exhibit B.7 (Continued)
Nebraska's Employment First Program Evaluation

Evaluation Description:	
<i>Period Covered:</i>	May 1997- September 2002
<i>Overview:</i>	The evaluation includes process, case manager, and impact studies.
<i>Sample Studied</i>	Non-exempt welfare recipients for the Nebraska Employment First Program. The sample for the process study includes Lincoln, Omaha, and two rural counties. The impact study focuses on non-exempt welfare recipients in the Omaha and surrounding counties Employment First Program.
<i>Process Study:</i>	The process study focuses on how well the program is managed and provided to clients; how well clients understand it; and how clients interact with it.
<i>Case Manager Study:</i>	The case manager study will focus on the characteristics and procedures of case managers that contribute most to client success based on performance measures. The study will use a case-manager background information questionnaire (via a mail survey) that is supported by client outcomes data. High performing case managers will be identified and interviewed to identify successful strategies.
<i>Impact Study Overview:</i>	The impact study will compare outcomes of up-front job searches versus up-front assessments and employability planning. Individuals will be randomly assigned into one of two groups. The first group receives an employability assessment that may include additional training, whereas the second group is subject to an immediate mandatory job search. Administrative and survey data will be used in the evaluation. A survey will be conducted on approximately 1,200 cases (approximately 600 in each group).
<i>Data Sources:</i>	Administrative data from Nebraska MIS (approximately 7,200 cases). Includes information on: <ul style="list-style-type: none"> • TANF • Food Stamps • SSI • Employment First Program Case • Child Support Survey data (1,200 cases) Personal observation
<i>Outcomes / Impacts Examined by These Studies:</i>	Various measures of self-sufficiency and job placement.

Appendix Exhibit B.8 Texas ACT Welfare Reform Review Evaluation

Texas Achieving Change for Texans (ACT) Welfare Reform Review	
<i>Evaluator:</i>	Texas Department of Human Services
<i>Sponsor:</i>	Texas Department of Human Services
<i>Subcontractors:</i>	University of Texas Center for the Study of Human Resources
<i>Contact:</i>	Kent Gummerman
<i>Contact phone #:</i>	(512) 438-3743
Program Description:	
<i>Overview:</i>	Texas Achieving Change for Texans waiver program includes time limits on grants to TANF cases, requires clients to sign a Personal Responsibility Agreement, requires special treatment of clients' income to encourage work, allows savings accounts that do not result in case denial, and establishes an annual payment of \$1,000 in lieu of AFDC.
<i>Sites:</i>	Time limit sites: <ul style="list-style-type: none"> • Bexar County Time limits plus Personal Responsibility Agreement sites: <ul style="list-style-type: none"> • Beaumont, Corpus Christi, El Paso, and Odessa Personal Responsibility Agreement Sites <ul style="list-style-type: none"> • Hondo, Huntsville, Lockhart, Luling, AFDC One-Time Sites: <ul style="list-style-type: none"> • Texas (statewide) Fill-the-Gap Budgeting and Individual Development Accounts Sites: <ul style="list-style-type: none"> • Lubbock County, Greg County, Harrison County, Upshur County
<i>Target Population (Requirements for eligibility or exemption):</i>	<ul style="list-style-type: none"> • Recipients and former recipients • Single-parent families, and two-parent families
<i>Program Components:</i>	<ul style="list-style-type: none"> • Time limits on case grants to TANF families • Personal Responsibility Agreement required • Increased asset limits and savings disregards, allowing savings accounts that do not result in case denial • Annual payment of \$1,000 in lieu of AFDC

Appendix Exhibit B.8 (Continued)
Texas ACT Welfare Reform Review Evaluation

Evaluation Description:	
<i>Period Covered:</i>	September 1997 – June 2002
<i>Overview:</i>	The study includes a process evaluation that is being performed by the Texas Department of Human Services and an impact evaluation being performed by the University of Texas. The impact study uses an impact and descriptive design
<i>Sites Studied / Sample:</i>	<p>Sites:</p> <ul style="list-style-type: none"> • Time limit site: Bexar County, Texas • Time limit plus Personal Responsibility Agreement sites: Beaumont, Corpus Christi (Dillon Street Office), El Paso, Odessa • Personal Responsibility Agreement Sites: Hondo, Huntsville, Lockhart, Luling • AFDC One-Time Sites: Texas (statewide) • Fill-the-Gap Budgeting and Individual Development Accounts Sites: Lubbock County, Greg County, Harrison County, Upshur County
<i>Process Study</i>	The process study will review implementation, operations, and impacts observed using administrative records, site observation, staff and client interviews, and sample surveys of those that leave the rolls or are diverted from entering the rolls.
<i>Ethnographic Study</i>	In depth interviews will be conducted on a (non-random) sample of former welfare recipients to determine their income sources, including income from jobs, others in the household, other programs, and illegal activity. These interviews will ask about SSI income sources.
<i>Impact/Cost-Benefit Evaluation</i>	The impact evaluation will report findings using an experimental design. In particular, the study will focus on the effects of the Texas time limits and the signing of personal responsibility contracts using treatment and control groups.
<i>Data Sources:</i>	<p>Administrative records (approximately 15,000-20,000 records split between treatment and control groups):</p> <ul style="list-style-type: none"> • TANF Eligibility Mainframe Files • Job Service Agency Files • UI wage information • Child Support • Child Welfare • Medicaid
<i>Outcomes / Impacts Examined by These Studies:</i>	Benefit termination, employment, entry effects, family outcomes, income security, policy changes, program implementation, sanctions, service utilization, standard of living

Appendix Exhibit B.9
Vermont Welfare Restructuring Project Evaluation

Vermont Welfare Restructuring Project Evaluation	
<i>Evaluator:</i>	Manpower Demonstration Research Corporation (MDRC)
<i>Sponsor:</i>	Vermont Department of Social Welfare
<i>Subcontractors:</i>	N/A
<i>Contact:</i>	Dan Bloom, MDRC
<i>Contact phone #:</i>	(212) 532-3200
Program Description:	
<i>Overview:</i>	Welfare Restructuring Project (WRP) is a work-trigger model of welfare reform, in which important elements of the safety net concept are preserved even though the type of public support is sharply altered. WRP is mandatory for all welfare recipients.
<i>Sites:</i>	Six Vermont Districts: Barre, Burlington, Newport, St. Albans, Rutland, and Springfield.
<i>Target Population (Requirements for eligibility or exemption):</i>	All able-bodied AFDC parents must participate. Exemptions to the work requirements of the program are given on a case-by-case basis.
<i>Program Objectives:</i>	To make dependence on benefits transitional, to strengthen incentives to work, and to promote good parenting and positive role modeling.

Appendix Exhibit B.9 (Continued)
Vermont Welfare Restructuring Project Evaluation

Program Description (continued):	
<i>Program Components:</i>	<ul style="list-style-type: none"> • Child support is paid directly to the parent. • ABE, GED, and post-secondary education provided through a pre-existing program. • Job development and job skills training are provided by the state. The work requirement is strengthened in two-parent families, such that for the first 15 months, the primary earner must seek out and accept job opportunities; if no work is found, the state uses the grant to subsidize a job. For single-parent families, the grace period is 30 months and parents must work 40 hours (if they have no children under age 13) or 20 hours (if children are under age 13). • Earnings disregards are no longer time-limited; there is a disregard of \$150 plus 25% of remaining gross income. This program eliminates specific eligibility criteria (100-hour rule and prior work history) for two-parent cases and increases asset limits. • WRP provides an additional 24 months of Medicaid coverage for families who become ineligible for ANFC (Vermont's AFDC) due to increased earnings. • Case management becomes more intensive, particularly with Reach Up (Vermont's JOBS program). • The program provides parenting classes to all participants and assists unwed pregnant or parenting minors in finding suitable living arrangements, as they are required to live with a parent or in an approved arrangement. • 60-month time limit.
Evaluation Description:	
<i>Period Covered:</i>	July 1994 – March 2002
<i>Overview:</i>	This evaluation includes impact, implementation, and cost-benefit studies.
<i>Sites Studied / Sample:</i>	<p>Sites: 6 Vermont Cities: Barre, Burlington, Newport, St. Albans, Rutland, Springfield.</p> <p>Sample: Families are randomly assigned to one of three groups. Group 1 includes 20% of the caseload and qualifies for ANFC; group 2, 20% of the caseload, is subject to WRP except for the time limits and work requirements; group 3, 60% of the caseload, is subject to all provisions of welfare reform. The sample consists of 10,997 welfare applicants.</p>

Appendix Exhibit B.9 (Continued)
Vermont Welfare Restructuring Project Evaluation

Evaluation Description (continued):	
<i>Impact Study Overview:</i>	Experimental: This quantitative study seeks to determine the extent to which WRP policies affect ANFC and Food Stamps receipt, income, self-sufficiency, and poverty. Focusing on the labor market, the study examines whether, and to what extent, the interaction of financial incentives with time limits and related activities, particularly community service jobs, increases unsubsidized employment, earnings, job retention, and hours worked. The study also questions whether the labor market affects the types of jobs and wage levels. The 60-20-20 design of the random assignment is intended to demonstrate the effect of only changing financial incentives for ANFC single-parent or two-parent cases. Lastly, the study will evaluate the impact of WRP and its key components on various subgroups of welfare applicants and recipients.
<i>Implementation / Process Study Overview:</i>	Descriptive: This qualitative study aims to determine the nature of the program being evaluated, the feasibility of replicating the program elsewhere, and the factors that contribute to the program's successes or failures.
<i>Cost-Benefit Study Overview:</i>	Descriptive / Analytic: This quantitative study draws upon the implementation and process study to provide key input into estimating costs and benefits, to the end of assessing cost-effectiveness from several different perspectives.

Appendix Exhibit B.9 (Continued)
Vermont Welfare Restructuring Project Evaluation

Evaluation Description (continued):	
<i>Data Sources:</i>	<p>Administrative data:</p> <ul style="list-style-type: none"> • Child support receipts, child-care data, data on Reach Up activities and participation, UI records, and for all 10,997 control and program group members. • Monthly Food Stamp program extract files collected for 10,997 program and control group members, from 7/92 onward. • Case composition, baseline characteristics data, and program eligibility data from the State's computer system. Files for 10,997 program and control group members were collected at the time of assignment. • AFDC monthly extract files and Vermont and New Hampshire UI wage and benefit data for all 10,997 program and control group members, collected from 7/92 onward. <p>Focus group interview:</p> <ul style="list-style-type: none"> • Focus group interview of 40 single-parent welfare recipients assigned to the group subject to a time limit between 8/94-9/94. Collected between 2/96 – 3/96 in Barre and St. Albans only. <p>Survey:</p> <ul style="list-style-type: none"> • Mixed-mode survey administered 42 months after random assignment on a sample of 3,413 cases split between each of the program groups. • Small scale survey of community service employment officers and their employees to be collected in 1998. • Self-administered welfare and Reach Up staff survey completed by 82 and 72 program staff members, respectively. Collected in 1996. • Telephone survey to test participants' understanding of WRP. Collected from 93 welfare recipients (control and program group members) assigned between October 15 and 31, 1994. Data was collected approximately two months after assignment.
<i>Outcomes / Impacts Examined by These Studies:</i>	Attitudes towards work and welfare, attitudes towards the program, child education, HS credential attainment, job attainment and retention, births / pregnancies, family formation and stability, cost-effectiveness, child support payments, earnings, Food Stamps receipt, welfare receipt, service utilization, program implementation.

Appendix Exhibit B.10
Wisconsin's Pay for Performance/Self-Sufficiency First Evaluation

Wisconsin's Pay for Performance/Self-Sufficiency First Evaluation	
<i>Evaluator:</i>	Institute for Research on Poverty (IRP)
<i>Sponsor:</i>	Wisconsin Department of Workforce Development
<i>Contact:</i>	Tom Kaplan
<i>Contact phone #:</i>	(608) 262-0345
Program Description	
<i>Overview</i>	The Wisconsin Pay for Performance/Self-Sufficiency First program contained several work incentives designed to move welfare recipients into the labor force.
<i>Target Population</i>	New AFDC recipients who entered during the 14 months of operation of the Wisconsin Pay for Performance/Self-Sufficiency First Evaluation
<i>Sites</i>	Four sites in Wisconsin for approximately 4,000 cases
<i>Program Components</i>	<ul style="list-style-type: none"> • Applicants must meet with a financial planning resource specialist, as part of a diversion strategy and condition of eligibility. • All non-exempt individuals must complete 60 hours of work and training activities during a 30 day application period. • Participants not exempt from work/training requirements and not working 30 hours or more per week participate in up to 40 hours of employment and training activities per week • Cash benefits are reduced by the federal minimum hourly wage for each hour of non-participation in JOBS activities. • When the hours of participation in employment or training activities fall below 25% of the assigned hours, the assistance grant is revoked while the Food Stamp allotment is reduced to \$10.
<i>Program Objectives</i>	To increase self-sufficiency of welfare recipients

Appendix Exhibit B.10 (Continued)
Wisconsin's Pay for Performance/Self-Sufficiency First Evaluation

Evaluation Description	
<i>Project Period</i>	May 1997-April 1998
<i>Overview</i>	This project includes a process and impact study.
<i>Process Study</i>	A process study will be completed using baseline information forms, program record data, on-site observation, and document reviews.
<i>Data</i>	Administrative Data (available for approximately 4,000 cases): <ul style="list-style-type: none"> • AFDC/TANF records • Food Stamps • UI wage records
<i>Impact Study</i>	Program participants were randomly assigned in four sites. The experimental group was subject to program components under Self-Sufficiency First/Pay for Performance policies while the control group was subject to AFDC program policies in effect prior to TANF. Both groups will be followed using administrative data. Survey data is not available for the project.
<i>Outcomes</i>	The program aimed to determine whether self-sufficiency increased (according to various measures of employment, earnings, and income). It also analyzed welfare receipt and measures whether it was reduced in duration or amount received. Finally, evaluators measured program activity participation with respect to attendance at activities, completion of them, and assignment into employment or training activities.

Appendix Exhibit B.11
14 ASPE State/County Leaver Grant Awardees: Summary Description of Proposals

	Arizona	Cuyahoga Co., OH	District of Columbia
Outcomes: Adults	Employment, Earnings, Recidivism, Other Program and Private Assistance Receipt, Child Support	Employment, Earnings, Recidivism, Other Program and Private Assistance Receipt, Household Composition, Material Well-Being	Employment, sources of public and private income, well-being of families after leaving.
Children	Child Care Receipt and Quality	Child Care arrangements.	No child specific outcomes.
Population: Study Pop. Definition of Leavers Divertees? Entrants? Unit of Observation	Former Recipients of Cash Assistance Case was closed for at least 1 month. No. AZ's Diversion program not implemented yet. Tracks re-entry, but otherwise, no. Closed Case	Former Recipients of TANF. Case closed for at least 2 months. Not as part of this grant, but may for another project. Tracks re-entry, but otherwise, no. Closed case.	TANF leavers. Case closed at least 2 consecutive months. No divertees. No eligible non-participants or new entrants. Closed case - family.
Methodology Cohort Definitions Comparison Groups	TANF closed cash assistance cases between 10/96- 12/96. Similar 2nd cohort between 1/98- 3/98 - post program inception. Reason for case closure, Across local economic conditions, urban/rural.	Cohort I - Left TANF last quarter of 1996. Cohort II - first last quarter of 1998. Cohort I vs. Cohort II, welfare history, earnings, age or parents, # of kids, marital status, race, for Cohort II - compare survey responders to non-responders.	Cohort I - Families that left TANF 3rd quarter of '97. Cohort II - Families that left TANF 4th quarter of '98. Admin. data for I. Survey data for II. Reason for leaving, whether return to TANF or not.
Data: Administrative Sources Years/Time Covered Linkages Survey Data: Sample Population Design # of Observations Response Rate Timing	Cash assistance, Food Stamp, Medicaid, UI, JOBS, Child Care, Child Support, Child Protective Services, Emergency assistance. Cohort I tracked through 1997. II through 1998. Cohort II data linked with survey data. Random Sample of all Cohort II closed cases. Stratified on reason for closing (2 strata). Mixed mode survey. Hope to have 400 completed surveys from each strata. Will sample 1,200 cases. Aiming for 67%. Surveyed one year after case closed.	UI and welfare administrative records, Food Stamps, Medicaid. Cohort I through 1997, Cohort II through 1998. Both cohorts 750 randomly selected closed cases. Cohort II data linked with survey data. Random sample of Cohort II. Mixed mode interviews. Hope to have 300 completed surveys. MDRC committed to 78% response rate. Surveyed one year after case closed.	TANF benefits, Food Stamps, General Assistance, SSI, Medicaid, Foster care. As far back as 1992. Not linked with survey data. TANF leavers between 10/98-12/98. Random sample of 500. Survey will draw upon Urban's Natl. Survey of American Families. Hope to have 375 Assume a 75% response rate. 6 months after left TANF.
Subcontractor	Currently no.	Part of MDRC Urban Change, Case Western Reserve U	The Urban Institute
Special Features			Linking with UI data not as useful because many work in Virginia or Maryland.

Source: National Research Council Staff Prepared Background Chart for the November 13 Workshop on Evaluating State Welfare Reform Programs: Methods and Data

Appendix Exhibit B.11 (Continued)
14 ASPE State/County Leaver Grant Awardees: Summary Description of Proposals

	Florida	Georgia	Illinois	Los Angeles Co., CA
Outcomes:				
Adults	Employment, financial well-being, health, housing, transportation, emotional situation, family stability.	Earnings, income, ratio of family income to family needs, index of self-sufficiency, health insurance coverage, maternal mental health.	Characteristics of families who leave, recidivism, financial and person circumstances at differing time periods since leaving.	Employment, earnings, recidivism, family income, other public & private assistance, health care, household composition, material well-being.
Children	Child Care situation.	Child care, involvement of absent fathers.	Foster care, child abuse and neglect.	Child care arrangements.
Population:				
Study Pop.	3 groups of interest: 1) participants who left Florida's WAGES program for at least 1 month; 2) Applicants for WAGES who were diverted; 3) Eligible but did not participate.	Women who have left the welfare.	TANF closed cases for any reason.	AFDC/TANF Leavers
Definition of Leavers	Individuals and families.	No receipt of cash assistance for at least two months.	No cash assistance for 2 consecutive months.	Case closed for at least 2 months.
Divertees?				L.A. does not have diversion program.
Entrants?				
Unit of Observation		Closed case.	Closed cases.	Closed cases.
Methodology				
Definition of Cohorts	3 Groups above: 1 - Left WAGES in 2nd quarter of 1997 (n=30,000). 2 - Applied in 2nd quarter of 1997 (n=9,500). 3 - Received Food Stamps or Medicaid, had minor kids & income below limit, no participation(n=12,000)	Phase 1: Sample of 2000 women who left between 1/97-10/97 -linked admin. data. Phase 2: Telephone survey with sample of 200 leavers each month from 7/98-6/2001. Survey data from this group will be linked to admin. data.	2 Groups: 1) Left 10/97-6/98 - interviewed between 9 and 3 months after leaving; 2) Left 1/99-3/99 interviewed 1-3 months after leaving.	Cohort I: Left welfare end of 1996 if received it between 8/96-10/96. Cohort II: Left welfare early 1998 after receiving it 11/97-1/98. 750 cases for each cohort chosen randomly from administrative data.
Comparison Groups	Above three groups and by Regional Coalitions	Rural/Urban, Race, Education level, high/low poverty neighborhoods, length of time on welfare, reason left welfare.	Two groups of leavers; By time since left; Reasons for case closure; By employment status.	Two cohorts above, long term vs. short term welfare use, earnings pre and post leaving, age of parents, # of kids, marital status, race, ethnicity.

Appendix Exhibit B.11 (Continued)
14 ASPE State/County Leaver Grant Awardees: Summary Description of Proposals

	Florida	Georgia	Illinois	Los Angeles Co., CA
Data:				
Administrative:				
Sources	TANF, Food Stamps, Medicaid, Child Support, Employment data.	TANF database, Food Stamps, Child Welfare, Employment and Child Support.	TANF, Medicaid, Food Stamps, WAGES, JOBS participation, WIC, Health treatment, Children & Family Services, Child Abuse.	Cash benefits, Food Stamps, General Assistance Benefits, Medicaid, UI wage data.
Years/Time Covered	Tracked through 1998.	Through 1998, one year after leaving.	As far back as 10 years through end of study.	Through '97 for I, Through '98 for II.
Linkages	Linked with survey data.	Linked with survey.	Linked with survey data.	Linked with survey data.
Survey Data: Sample Population	State Sample each of 3 groups ? 1000 each group. 4 regional samples ? 1000 in each group in each of 4 regions.	Representative sample of women leaving TANF for 36 months starting 7/98.	Closed cases 7/97-6/98 (?170,000) and closed cases 1/99-3/99 (?38,000).	Single-parent households from Cohort II.
Design				
# of Observations	Approximately 15,000.	Approximately 7,200.	Stratified by Chicago vs. Downstate (200 @) 800 closed cases from each of the 2 periods.	Still being discussed.
Response Rate				Hope for 300 completed surveys.
Timing	Interviewed late 1998.	Interviews conducted in month client left.	Between 1 & 9 months after leaving welfare.	MDRC committed to 78%. 1 year after exiting - 1999.
Subcontractor	Florida State help with survey.	Georgia State University	U of Illinois at Springfield and Chapin Hall.	MDRC
Special Features	WAGES program has representatives from non-profit and business who help applicants attain employment.	Also seeks funding for longitudinal study of women: Wave I on TANF, Wave II - off TANF.	Already have on-going Closed Case Study.	A second phase of this project (not funded by this ASPE grant) will look at eligible non-participants.

Appendix Exhibit B.11 (Continued)
14 ASPE State/County Leaver Grant Awardees: Summary Description of Proposals

	Massachusetts	Missouri	New York	San Mateo, Santa Clara & Santa Cruz Co. Group, CA
Outcomes: Adults Children	Employment, earnings, family income & debt, other income and support, housing, food security, transportation. Child support, medical coverage, child care, child school attendance and child development.	Income, earnings, employment, recidivism, usage of private assistance. Child Welfare and Protective services, child abuse and neglect.	Reason for closing, employment, earnings, use of transitional services, family income, recidivism. Child welfare outcomes.	Employment & earnings, sources & level of family income & other support, family well-being, use of other public support.
Population: Study Pop. Definition of Leavers Divertees? Entrants? Unit of Observation	Recipients leaving TANF Left for at least one month. No No Closed case, sometimes family or child.	Universe of TANF leavers. ?	Sanctioned and closed cases.* No limit on length of closure-any closing Closed cases & individuals in each case.	All TANF leavers and diverttees. Any length; Will check for "false" exits. Both 1)apply & are diverted or ineligible & 2)eligible but no participation. Individual client and family.
Methodology Definition of Cohorts Comparison Groups	20,000 cases who left 1/97-6/97 = Cohort 1 15,000 cases who are estimated to leave between 12/98-12/99 = Cohort 2. Full pop. of leavers Time limit closings vs. Other reason close, English speaking or not, age of kids, urban vs. rural.	Cohort I - left in 4th quarter 1996. Cohort II left in last quarter of 1997. Cohort III - TANF applicants enrolled in Jackson Co. Work First program last quarter '96 & '97. Cohorts, "Success" or not (from survey), county.	Cohort I - All cases closed/sanctioned in the 1st quarter of 1997. (Administrative data only) Cohort II - Cases closed in the 1st Q of 1999 (Admin. & Survey data) Rural vs. Urban, Previous work experience.	Cohort I=Left/diverted last quarter of 1996. Cohort II- Left/diverted last two quarters of 1998. Admin. data for both cohorts. Survey data for Cohort II. 3 categories of welfare leavers, reason left.

Appendix Exhibit B.11 (Continued)
14 ASPE State/County Leaver Grant Awardees: Summary Description of Proposals

	Massachusetts	Missouri	New York	San Mateo, Santa Clara & Santa Cruz Co. Group, CA
Data: Administrative Sources Years/Time Covered Linkages Survey Data: Sample Population Design # of Observations Response Rate Timing	Transitional Assistance, Child Support, wage and earnings from Dept. of Revenue Linked with survey data. All of both Cohort 1 and 2. Longitudinal, mixed mode, stratified by reason case closed. 350 from Cohort 1; 600 from Cohort 2. Hope for 75% Surveyed four times over course of 1 year.	Education, Child care assistance, Child welfare, Emergency Assistance Records (private sources), Employment security records, Food Stamps, UI, TANF, JOBS. Linked with survey data. Represent Cohorts I and II. Stratified by geography and "success" - where success = left for at least 6 months. 1,200 @ cohort selected for interview. Fall 1998 & 1999 - 2 years after leaving.	Public assistance, SSI, Food Stamps, Medicaid, Foster Care, Child Support, Employment Linked with Cohort II closed cases survey. Full Cohort II population. Stratified random sample. Mixed mode survey. Target of 900 completed surveys. Hope for 75% rate - will sample 1200. One year after leaving - early 2000.	Case Data System - TANF, Food Stamps, Medi-Cal, General Asst.GAIN, Public Housing Authority, UI data, Child welfare services. For some sources, 1995-1999 Linked with Cohort II survey data. Cohort II population. Stratified random sample - first by county and then by leaver category. 900-950 completed surveys. Surveyed 6 & 12 months after left.
Subcontractor	Chapin Hall did Administrative data, Survey by UMASS - Boston.	U of Missouri, Midwest Research Institute	Contract out survey. Richard Nathan at Rockefeller Institute of Govt advisor.	SPHERE Institute, Survey will be contracted out too.
Special Features	Survey of 350 Cohort 1 leavers finished. \$50 Incentive for survey participation.	Unique data set on usage of Emergency Assistance in Jackson Co. - Kansas City.	*NY still has a safety net for families who reach time limit (sanctioned cases).	Survey is modeled after SPD.

Appendix Exhibit B.11 (Continued)
14 ASPE State/County Leaver Grant Awardees: Summary Description of Proposals

	South Carolina (Part of an on-going project with previous grant)	Washington	Wisconsin (Grant part of 3 research projects).
Outcomes: Adults Children	Marital events, employment, earnings. Child abuse & neglect; low birth weight, infant mortality all through longitudinal admin. records.	Earnings, WAGES, employment, support sources, well-being, recidivism, other public assistance usage, child support, housing, mental or physical disabilities, addiction	Life circumstances and employment outcomes.
Population: Study Pop. Definition of Leavers Divertees? Entrants? Unit of Observation	Cash assistance leavers. No assistance for 4 consecutive months. Not from official diversion program, but with survey and through Food Stamp records, identify non-participants (entry effects). Cases	Cash assistance leavers. Left cash assistance for at least 1 month. Cohort II had diversion program. No, but could track recidivism from pre-TANF program "back" to TANF. Closed Case	AFDC leavers or non-participants in W-2; W-2 leavers. Case closed at least 3 months. Milwaukee study of applicants will look at divertees. Milwaukee study looks at applicants not yet on W-2. Closed case
Methodology Definition of Cohorts Comparison Groups	Cohort I left 1 st Quarter 1997; Cohort II left 1 st Quarter 1999. Reason for leaving cash assistance.	3 Cohorts: Cohort I left last Q 1996 (pre-TANF). Cohort II left last Q 1997, Cohort III left last Q of 1998. Rural/urban & East/West	Milwaukee: Families who apply for W-2 assistance between 10/15/98-3/15/99 Milwaukee: 1)New Entrants 2)Ineligible Applicants 3) Diverted Applicants.
Data: Administrative Sources Years/Time Covered Linkages Survey Data: Sample Population Design # of Observations Response Rate Timing	Client History Information Profile, Work Support System, Medicaid, Foster Care, Child Support; Employment Security Commission. 1/95-9/98 Linked with survey data for both cohorts. 4 groups: 1)Deterred eligibles; 2)exit due to earnings; 3)exit due to sanction; 4) exit due to time-limit. Approximately 1000 cases, 250 from each of 4 groups. Estimate 75%. Interview 6 months and 9 months after exiting.	UI, Medical, Foster Care, Child Support, Basic Health for low income families, Food Stamps. 1 year pre and post exit. For cohort III, will be linked to survey data. Welfare leavers exiting last quarter of 1998. Random sample of Cohort III, stratified by four categories of urban/rural and East/West. Mixed mode design. 1300 will be surveyed and hope to end up with a sample of 1000 respondents. Hope for 70%. Cases surveyed in mid 1999, 6-9 months after exit.	AFDC, Food Stamps, Child Care, Medical Assistance, Child support, Foster care, some Child abuse and neglect, SSI, UI, Tax data 1988 forward. Survey of AFDC & W-2 Leavers* Statewide universe of closed cases during 1/98-3/98. 2nd sample of Milwaukee families who apply for W-2. Seeking funding to follow leavers throughout 1998.
Subcontractor	Under negotiation.		
Special Features	Project already started. Funded through ACF.	Already has baseline administrative data on 3200 recipients pre- TANF, including survey of 560 of these who left the pre-TANF program.	*Milwaukee study also plans a survey of applicants. It will be a 2 wave panel survey of applicants (n=1200).

Appendix Exhibit B.12

New Federalism Evaluation

Assessing the New Federalism	
<i>Evaluator:</i>	The Urban Institute Child Trends, Inc. Westat, Inc.
<i>Sponsor:</i>	Annie E. Casey Foundation, the Henry J. Kaiser Family Foundation, the W.K. Kellogg Foundation, the John D. And Catherine T. MacArthur Foundation, the Charles Stewart Mott Foundation, the Commonwealth Fund, the Stuart Foundation, the Robert Wood Johnson Foundation, the Weingart Foundation, the McKnight Foundation, the Ford Foundation, the Rockefeller Foundation, and the Fund for New Jersey. Additional support is provided by the Joyce Foundation and the Lynde and Harry Bradley Foundation through grants to the University of Wisconsin at Madison.
<i>Contact:</i>	Naomi Goldstein, UI
<i>Contact phone #:</i>	(202) 261-5674
Project Description:	
<i>Overview:</i>	Assessing the New Federalism (ANF) is a six-year project that aims to analyze the devolution of responsibility for social programs from the federal government to the states. It focuses primarily on health care, income security, job training, and social services. Although ANF is a very broad project, one part of the study assesses the impact of devolution on program participation. The evaluation includes descriptive, implementation, and child outcome studies.
<i>Sites:</i>	24 counties in 13 focus states: Alabama, Colorado, California, Florida, Massachusetts, Michigan, Minnesota, Mississippi, New Jersey, New York, Texas, Washington, and Wisconsin
<i>Target Population (Requirements for eligibility or exemption):</i>	Low income households (<200% of the poverty rate) were over-sampled in the National Survey of American Families (NSAF). Respondents were asked about AFDC, GA, SSI, Emergency Assistance, Food Stamps, child support, foster care, UI, workers' compensation, and Social Security receipt.
<i>Program Objectives:</i>	To monitor, analyze, document, and report changing social policies as many responsibilities shift from the federal government to the states. The project will also assess how these changing social policies affect the well-being of children, families, and individuals.
<i>Program Components:</i>	A wide range of welfare policies are being analyzed for this study, including employment practices, child support payment, education, various financial incentives and disincentives, food stamps, training, support services, family caps, and time limits.

Appendix Exhibit B.12 (Continued)
New Federalism Evaluation

Evaluation Description:	
<i>Period Covered:</i>	December, 1995 – December, 2001
<i>Overview:</i>	Descriptive / Quasi-experimental
<i>Sites Studied / Sample:</i>	<p>Sites: While data is being collected for all 50 states, case studies are being conducted in 13 states.</p> <p>Sample: The ANF database contains data from all 50 states plus the District of Columbia. Case studies and reviews are a non-random targeted sample (targeted to insure diversity in fiscal capacity, child well-being, spending traditions, and geographic representation). The National Survey of American Families sampled representative populations in counties within the 13 states listed previously. In the NSAF, there was an over-sampling of low-income households with incomes below 200% of the federal poverty line.</p>
<i>Descriptive Study Overview:</i>	Descriptive: This qualitative / quantitative study attempts to inform discussion and analysis of state policies and characteristics by making a database publicly available on the Internet. The database covers 50 states + DC and includes information on income security, health, well-being, state fiscal and political conditions, and social services.
<i>Descriptive Study Data Sources:</i>	<p>Administrative / Non-administrative data:</p> <ul style="list-style-type: none"> • State-specific data on demographic and economic trends, state and local fiscal trends, program policy characteristics and participation data, and social and economic indicators. • This data was and will be collected (1993-2000) from various federal government agencies and other sources such as The National Association of State Budget Officers and The National Conference of State Legislatures.
<i>Implementation / Process Study Overview:</i>	Descriptive: This qualitative study will document state policies and implementation in the areas of health, income support, and social services, using case studies.
<i>Implementation / Process Study Data Sources:</i>	<p>Interview:</p> <ul style="list-style-type: none"> • Interview case study reviews focusing on development and implementation of policies in 13 selected states: Alabama, Colorado, California, Florida, Massachusetts, Michigan, Minnesota, Mississippi, New Jersey, New York, Texas, Washington, and Wisconsin. Reviews concentrate on 1) Medicaid and closely related health assistance programs, and 2) welfare, employment and training, and social services. Teams discuss policy developments and objectives with legislative branch officials and with representatives of professional and advocacy organizations. Case studies and reviews are a non-random targeted sample (targeted to insure diversity in fiscal capacity, child well-being, spending traditions, and geographic representation). Collected in the last 5 months of 1996 and first few months of 1997, with a second scheduled for 1999.

Appendix Exhibit B.12 (Continued)
New Federalism Evaluation

Evaluation Description (continued):	
<i>National Survey of American Families:</i>	Quasi-experimental: This survey aims to measure the well being of children and adults as state policies change. Survey interviews cover health, health insurance, use of health care, income, employment, use of government and other programs including income support and social services, child well being, and other measures. The survey includes individual level questions on SSI participation.
<i>Child Outcomes Data Sources:</i>	<p>Interview:</p> <ul style="list-style-type: none"> 48,000 interviews conducted with telephone and non-telephone households. Representative samples were taken from Milwaukee County, from the 13 selected states – Alabama, Colorado, California, Florida, Massachusetts, Michigan, Minnesota, Mississippi, New Jersey, New York, Texas, Washington, and Wisconsin – and from the rest of the nation. Interviews were administered between 2/97 – 10/97, with a second round of interviews to follow in 1999. Families with incomes below 200% of the poverty level were over-sampled.
<i>Outcomes / Impacts Examined by The Survey</i>	<ul style="list-style-type: none"> Parental variables: Attitudes towards work and welfare, attitudes towards the program, reasons for benefit termination, HS credential attainment, job creation, job readiness/training, job attainment and retention, job promotion, number of hours worked for wages, births/pregnancies, family formation and stability, fatherhood, parent-child interactions, cost-effectiveness of program, adult health, homelessness, residential mobility, child support payments, earnings, food stamp receipt, Medicaid receipt, welfare receipt, service utilization, standard of living, program implementation. Child-related variables: behavioral problems in children, child abuse and neglect, child education, child emotional well-being, child health / physical well-being, child's social environment, developmental outcomes, foster care placement, and school attendance.

Appendix Exhibit B.13
Project on Devolution and Urban Change

Project on Devolution and Urban Change	
<i>Evaluator:</i>	Manpower Demonstration Research Corporation (MDRC)
<i>Sponsor:</i>	The Cleveland Foundation, Pew Charitable Trust, The James Irvine Foundation, The Charles Stewart Mott Foundation, The Edna McConnell Clark Foundation, Ford Foundation, California Wellness Foundation, The George C. Gund Foundation, The Joyce Foundation, Robert Wood Johnson Foundation, and W. K. Kellogg Foundation.
<i>Contact:</i>	Barbara Goldman
<i>Contact phone #:</i>	(212) 532-3200
Evaluation Description:	
<i>Overview:</i>	This project focuses on how devolution and TANF block grants affect various welfare recipients in four to six large cities. The project includes an impact study, neighborhood indicator study, implementation study, ethnographic study, and institutional study.
<i>Period Covered:</i>	1997-2002
<i>Sites:</i>	Currently includes Los Angeles, Miami, Cleveland, and Philadelphia
<i>Target Population (Requirements for eligibility or exemption):</i>	Individuals who live in neighborhoods that have high concentrations of welfare receipt and poverty.
<i>Impact Study</i>	The impact study will estimate the effects of the welfare reform changes on welfare receipt, employment, and earnings using citywide samples. This study includes a “multiple cohort comparison” research design using administrative data to distinguish ongoing trends from changes due to TANF. A survey component will be used to analyze other outcomes for families living in high-poverty neighborhoods.

Appendix Exhibit B.13 (Continued)
Project on Devolution and Urban Change

Evaluation Description (continued):	
<i>Neighborhood Indicator Study</i>	This neighborhood impact study will assess changes over time in the social and economic vitality of the city.
<i>Implementation Study</i>	The implementation study will describe the process of the implementation of welfare reforms. This study will also identify successes and obstacles faced by government agencies in establish new policies and programs
<i>Ethnographic Study</i>	In-depth interviews will be conducted on a small number of families to identify outcomes that may not be captured in a large-scale survey or administrative data (e.g., income for illegal sources, social activities).
<i>Institutional Study</i>	This study will analyze how the delivery system for services in poor inner-city neighborhoods are changed by the new policies and funding mechanisms.
<i>Data</i>	Administrative Records (at least 2,000 records) <ul style="list-style-type: none"> • AFDC • Food Stamps • UI wage records Two-year client follow-up survey (includes Social Security Numbers)

Appendix Exhibit B.14
Johns Hopkins University Welfare Reform Three City Study

Johns Hopkins University Welfare Reform Three City Study	
<i>Evaluator:</i>	Andrew Cherlin, Johns Hopkins University, Principal Investigator
<i>Sponsor:</i>	ASPE, ACF, Administration on Developmental Disabilities, NIH, NHICD, RWJ Foundation, and multiple other private foundations.
<i>Contact:</i>	Andrew Cherlin
<i>Contact phone #:</i>	(410) 516-7632
Project Description:	
<i>Overview:</i>	Four year project to study the effects of welfare reform on the well being of children and families. The study will investigate the strategies developed to respond to welfare reform for adults, such as policies related to employment, schooling or other forms of training, residential mobility, and fertility. The study will examine the general effects of welfare reform on child well-being, with an emphasis on their health and development as well as their need for, and use of social services.
<i>Sites:</i>	<ul style="list-style-type: none"> • Boston • Chicago • San Antonio
<i>Target Population (Requirements for eligibility or exemption):</i>	2,800 households in low-income neighborhoods, half of who will be receiving cash assistance at the beginning of the study. Each household will have a child aged 0 to 4 or 10 to 14.
<i>Project Objectives:</i>	Determine implications of welfare reform for low-income families living in selected urban areas. In particular, the study will focus on the effects of parental time and money resources on child well-being. Funding has been approved to explore how welfare reform affects the well-being of people with disabilities.
<i>Program Components:</i>	Standard TANF and community services.

Appendix Exhibit B.14 (Continued)
Johns Hopkins University Welfare Reform Three City Study

Evaluation Description:	
<i>Period Covered:</i>	Fall 1997-Fall 2002
<i>Overview:</i>	Longitudinal and ethnographic
<i>Sites Studied / Sample:</i>	Sites: Low-income neighborhoods in Boston, Chicago, and San Antonio. Sample: 2,800 households in low-income neighborhoods, half of whom will be receiving cash assistance at the beginning of the study. Each household will have a child aged 0 to 4 or 10 to 14.
<i>Longitudinal Survey:</i>	Descriptive: A random sample of 2,800 households will be selected for annual interviews. Interviews will begin in January 1999.
<i>Longitudinal Data Sources:</i>	<ul style="list-style-type: none"> • Baseline interview will gather personal information on adults, test and assess young children, and interview older children. • Each year sample will be reinterviewed for four years. Focus will be on direct assessment of the health and well-being of members of the sampled families • In year three, a second sample of 1,000 families will be drawn and interviewed. They will be reinterviewed in year four.
<i>Embedded Developmental Study:</i>	Descriptive: Evaluations will be conducted on a special sample of 800 children aged 2 to 4.
<i>Study Data Sources</i>	<ul style="list-style-type: none"> • Videotaping and coding of caregiver-child interactions • Time diary studies • Interviews with fathers and father figures • Observations of child-care settings
<i>Comparative Ethnographic Studies</i>	Descriptive: A total of 170 families will be studied (drawn from each of the three cities) to assess how changes in welfare policy influence neighborhood resources and affect the daily lives of welfare-dependent and working-poor families.
<i>Study Data Source</i>	<ul style="list-style-type: none"> • Block groups will be selected for the survey • Families will be chosen to be comparable across the cities • Families will be followed through all four years of the study

Appendix Exhibit B.15
National Evaluation of Welfare-to-Work Strategies

National Evaluation of Welfare-to-Work Strategies	
<i>Evaluator:</i>	Manpower Demonstration Research Corporation (MDRC)
<i>Sponsor:</i>	United States Department of Health and Human Services United States Department of Education
<i>Subcontractors:</i>	Child Trends, Inc.
<i>Contact:</i>	Gayle Hamilton, MDRC
<i>Contact phone #:</i>	(212) 532-3200
Program Description:	
<i>Overview:</i>	The National Evaluation of Welfare-to-Work (WtW) strategies uses a variety of approaches to achieve its objectives. Programs usually incorporated some combination of support services, tougher work requirements, and either labor force or human capital development employment programs.
<i>Sites:</i>	7 sites: Atlanta, Georgia (Fulton County); Grand Rapids, Michigan (Kent County); Riverside, California (Riverside County); Detroit, Michigan; Columbus, Ohio; Oklahoma City, Oklahoma; Portland, Oregon.
<i>Target Population (Requirements for eligibility or exemption):</i>	All AFDC and AFDC-UP parents were required to participate, with the following exemptions: <ul style="list-style-type: none"> • Single-parent AFDC recipients whose youngest child is age 3 or younger (age 1 at state option); • Recipients employed full time (30+ hrs. /wk.); • Those living in a remote area without accessible services; • Pregnant women in at least the second trimester; or • Recipients covered under state-specific exemptions.
<i>Program Objectives:</i>	To raise earnings, increase human capital and job skills, and reduce welfare receipt, thereby ultimately promoting long-term self-sufficiency.

Appendix Exhibit B.15 (Continued)
National Evaluation of Welfare-to-Work Strategies

Program Description (continued):	
<i>Program Components:</i>	<ul style="list-style-type: none"> • Education. States must offer adult education (including HS or GED, basic and remedial education to achieve basic literacy, and English as a Second Language Instruction). States may offer post-secondary education in appropriate cases, but few actually do so. • Job skills training, job readiness activities, job development, and job placement are required in all states. Each state must provide two of the following: job search, on-the-job training, work supplementation, and community or alternative work experience. • Substantial financial penalties for non-participation / non-compliance. Non-exempt welfare recipients who failed to participate in the program without good cause – or who rejected a bona fide offer of employment – had their welfare payment reduced by their share of the grant. For those who comply, the program offered coverage of some work-related expenses. • A new welfare office environment, incorporating development of partnerships with other organizations (business/local NPOs and institutions), more consistently enforced sanctions, and simplification of rules and procedures. • Child-care and transportation provided for JOBS participants; transitional child-care and Medicaid coverage provided when AFDC recipients leave welfare for work. • The case manager performed an assessment of clients' needs for services, arranged clients' program activities, monitored attendance and progress, initiating sanctions for non-compliance, and authorizing benefits for clients who obtain employment.
<i>Notes, etc.</i>	Variation in program components across sites.

Appendix Exhibit B.15 (Continued)
National Evaluation of Welfare-to-Work Strategies

Evaluation Description:	
<i>Period Covered:</i>	October 1989 – December 2000
<i>Overview:</i>	This evaluation includes implementation, impact (experimental), cost-benefit, child outcomes, and JOBS child outcomes studies.
<i>Sites Studied / Sample:</i>	<p>Sites: Atlanta, Georgia (Fulton County); Grand Rapids, Michigan (Kent County); Riverside, California (Riverside County); Detroit, Michigan; Columbus, Ohio; Oklahoma City, Oklahoma; Portland, Oregon.</p> <p>Sample: All non-exempt welfare applicants / recipients from the seven sites listed above, totaling over 50,000 recipients. The sampling techniques varied by site, but all entailed random assignment of the population to two or three different sample groups:</p> <ul style="list-style-type: none"> • In Detroit, Oklahoma City and Portland: Jobs/AFDC vs. No Jobs/AFDC What is the impact of the JOBS program relative to standard AFDC receipt? Within these three cities, 9,261 were randomly assigned to the JOBS program and 9,316 to the control group; the latter did not have access to JOBS services, but were free to participate in other services offered in the community. • In Atlanta, Grand Rapids, and Riverside: compare: Jobs/AFDC vs. No Jobs/AFDC as well as the efficacy of the Labor Force Attachment and Human Capital Development approaches within JOBS. Across the three sites, 6,698 recipients were randomly assigned to JOBS-HCD, 8,775 to JOBS-LFA, and 8,992 to the AFDC control group. The control group did not have access to JOBS services, but were free to participate in other services offered in the community. • 3,000 mothers and children from Fulton (Atlanta), Kent (Grand Rapids), and Riverside Counties also participated in the child outcomes (impact) study; this sample includes all families with children age three to five (at the beginning of the child outcome study). A child outcomes descriptive study was also conducted on the children of 790 sample members in Fulton County; this study used the aforementioned 3-group (AFDC, JOBS-LFA, JOBS-HCD) setup. • In Columbus, 2,594 recipients were assigned to a JOBS program utilizing traditional case management, 2,533 were assigned to a JOBS group utilizing integrated case management techniques, and 2,170 recipients were assigned to the AFDC control. Control group members did not have access to JOBS services, but were free to participate in other services offered in the community.

Appendix Exhibit B.15 (Continued)
National Evaluation of Welfare-to-Work Strategies

Evaluation Description (continued):	
<i>Implementation / Process Study Overview:</i>	Descriptive: This qualitative study seeks to determine how welfare-to-work programs were implemented, whether multi-component programs are feasible to operate, and which factors affect the successful implementation of welfare-to-work programs. Additionally, the implementation / process study will also determine what levels of participation could be achieved in mature JOBS programs of different types, how these participation levels compared with the 1980's programs, participation patterns and the dosage of participation; which activities were most emphasized, and the coverage of sample members with a welfare participation obligation.
<i>Impact Study Overview:</i>	Experimental: This quantitative study seeks to determine the impacts of JOBS programs of different types and how they compare with the 1980's programs in reducing welfare caseloads, increasing employment and earnings, and reducing poverty. These different types of JOBS programs will be compared with each other, to determine if some welfare-to-work approaches are more effective than others (e.g. by measuring the impact of different welfare-to-work programs on educational attainment and literacy levels. This study will determine the effect of the JOBS mandate before clients even get to JOBS, will measure the effect of JOBS upon young children of the participants. Lastly, it will judge whether impacts vary for different groups of the AFDC population.
<i>Cost-Benefit Study Overview:</i>	Descriptive / Analytical: This quantitative study measures the costs and benefits of different types of welfare-to-work programs and determines which approaches and strategies are most cost-effective.
<i>Child Outcomes Descriptive Study Overview:</i>	Descriptive / Analytical: This qualitative study measures child outcome for young children of mothers in the AFDC, JOBS-LFA, and JOBS-HCD programs.
<i>Child Outcomes Impact / Experimental Study Overview:</i>	Quasi-experimental (w/pre-post time periods): This quantitative / qualitative study has been designed to examine both the effects of JOBS upon children and the mechanisms that explain any effects that are found.

Appendix Exhibit B.15 (Continued)
National Evaluation of Welfare-to-Work Strategies

Evaluation Description (continued):	
<i>Data Sources:</i>	<p>Administrative Data:</p> <ul style="list-style-type: none"> • Administrative data on 2,000 welfare recipients (single-parent families) in the form of case file documents, including standard program forms, case notes, and correspondence between AFDC recipients, case workers, and JOBS activity providers. Data was collected during the two years following random assignment. • AFDC, UI, and food stamp records of all program and control group members collected from study entry to 5 years later. <p>Skill Testing:</p> <ul style="list-style-type: none"> • Results of the Test of Applied Literacy Skills (TALS Reading Literacy Test), collected at baseline from a 10,334 applicant / recipient sample of all program and control group members in Atlanta and Grand Rapids. • Results of the GAIN Appraisal reading test – Form 2, collected at baseline from a 14,121 applicant / recipient sample of all program and control group members in Riverside. • Results of the Oregon Basic Adult Skills Inventory System (BASIS Reading and Literacy Test) collected at baseline from a 5,000 applicant / recipient sample of all program and control group members in Portland. • Results from Oregon BASIS Math Test collected from a 5,000 applicant / recipient sample of all program and control group members. Collected at six months of program participation. • Results of the GAIN Appraisal Math Test – Form 2 collected from a 24,465 applicant / recipient sample of all program and control group members. Collected at baseline in Atlanta, Grand Rapids, and Riverside only. • Preschool inventory (developmental assessments) from the children of 790 mothers in Child Outcomes Descriptive Study. Peabody Picture Vocabulary Test – Revised (PPVT-R) conducted on children of 790 mothers in the Child Outcome Descriptive Study. Collected three months after random assignment.

Appendix Exhibit B.15 (Continued)
National Evaluation of Welfare-to-Work Strategies

Evaluation Description (continued):	
<i>Data Sources (continued):</i>	<p>Interviews:</p> <ul style="list-style-type: none"> • Mother interviews from the 790 family sample of the Child Outcome Descriptive Study, collected three months after random assignment in Fulton County only. • Semi-structured interviews with JOBS administrators regarding efforts to implement JOBS and managerial strategies, collected Spring 1993. Key informant interview and site visits conducted at the beginning of the evaluation and at periodic intervals with staff. • Structured intake interviews of all 51,849 welfare applicants and recipients in the program and control groups, collected prior to random assignment. • Semi-structured interviews with JOBS administrators regarding efforts to implement JOBS and managerial strategies, collected Spring 1993. <p>Surveys:</p> <ul style="list-style-type: none"> • Self-administered personal opinion surveys from all 30,465 members of program and control groups. Collected prior to random assignment, at Atlanta, Grand Rapids, Riverside, and Portland only. • In-person two-year client surveys from approximately 6,000 program and control group members. Collected at 2 years after study entry in Atlanta, Grand Rapids, and Riverside only. A 5-year survey is planned. • Mixed mode two-year client surveys from approximately 4,000 program and control group members. Collected at two years after study entry in Columbus, Portland, Detroit, and Oklahoma City. • Total for the 2 year surveys is approximately 10,000 cases. Approximately 6,000 cases are in the program group and 4,000 cases are in the control group. • Mixed mode five-year client surveys from approximately 5,000 program and control group members. Collected at five years after study entry in Atlanta, Grand Rapids and Portland. Approximately 3,000 of these cases are in the program group. This survey is in the field.
<i>Outcomes / Impacts Examined by These Studies:</i>	Attitudes towards work and welfare, attitudes towards program, behavior problems in children, child education, child emotional well-being, child developmental outcomes, adult literacy levels, HS credential attainment, emotional well-being, job readiness and training, job attainment and retention, job promotion, births/pregnancies.

Appendix Exhibit B.16
California Greater Avenues for Independence (GAIN) Program Evaluation

California Greater Avenues for Independence (GAIN) Program Evaluation	
<i>Evaluator:</i>	Manpower Demonstration Research Corporation (MDRC)
<i>Sponsor:</i>	California Department of Social Services
<i>Subcontractors:</i>	N/A
<i>Contact:</i>	James Riccio, MDRC
<i>Contact phone #:</i>	(212) 340-8822
Program Description:	
<i>Overview:</i>	GAIN aims to increase employment and sense of self-sufficiency among AFDC recipients through education, employment activities, financial incentives, and support services.
<i>Sites:</i>	6 California Counties: Alameda County, Butte County, Los Angeles County, Riverside County, San Diego County, and Tulare County.
<i>Target Population (Requirements for eligibility or exemption):</i>	Originally mandatory for all welfare recipients, applicants, clients and single-parent families. Those eligible for exemption are: <ul style="list-style-type: none"> • Single parents with children under the age of 3; • Those employed full time; or • Chronically ill.
<i>Program Objectives:</i>	To increase employment and foster self-sufficiency among people receiving Aid to Families with Dependent Children.
<i>Program Components:</i>	<ul style="list-style-type: none"> • Registrants who do not have a high school diploma or GED certificate, who score low on the reading or math part of the CASAS basic skills test, or are not proficient in English are determined to be “in need of basic education” and must enter an appropriate program (GED, ABE, or ESL). Program enrollees determined to need basic education are permitted to attend job club as a first activity, to be followed by basic education if they do not find a job. • Registrants participate in a job search activity that includes job seeking and interviewing skills for three weeks. Registrants who are participating in an appropriate education or employment activity prior to registration in the program are referred to as participating in “self-initiated” programs and may continue to receive GAIN support for two years. To fulfill their work requirement, registrants who complete their training activities and have not found jobs must participate in vocational or on-the-job training, unpaid public / non-profit organization work, supported work, or other forms of “post-assessment” training. • Monthly welfare grants are reduced for non-compliant individuals. • GAIN helps participants find, and pay for, child-care services for children under age 13. Child-care assistance continues for a one-year transitional period if the registrant becomes employed. GAIN also reimburses participants for transportation costs. Participants may also receive assistance for program expenses such as books and tools. Case managers monitor the participants’ activities and authorize support services and sanctions.

Appendix Exhibit B.16 (Continued)
California Greater Avenues for Independence (GAIN) Program Evaluation

Evaluation Description:	
<i>Period Covered:</i>	March 1988 – December 1997
<i>Overview:</i>	The evaluation includes implementation, impact (experimental) and cost-benefit studies.
<i>Sites Studied / Sample:</i>	Sites: 6 California Counties: Alameda, Butte, Los Angeles, Riverside, San Diego, and Tulare. Sample: 33,000 welfare applicants and recipients. A random sample of program group (people assigned to participate in GAIN) and control group (people not allowed to participate in GAIN, but able to use other community services) members.
<i>Implementation/ Process Study Overview:</i>	Descriptive/ Analytical: This study assessed operational issues and their effects on program participants and staff.
<i>Impact Study Overview:</i>	Experimental: This study determined the rates of employment, AFDC receipt, Food Stamp receipt, and the average earnings, AFDC payments and Food Stamp payments for individuals registered in GAIN. A controlled experiment to measure the differences in the outcomes with and without the presence of GAIN.
<i>Cost-benefit Study Overview:</i>	Descriptive/ Analytical: This study measures the benefits and costs of the GAIN program from the perspectives of the welfare sample, the government budget, the taxpayer and society as a whole.
<i>Program Tracking</i>	This study measured the use of program services by members of the experimental group.

Appendix Exhibit B.16 (Continued)
California Greater Avenues for Independence (GAIN) Program Evaluation

Evaluation Description (continued):	
<i>Data Sources:</i>	<p>Administrative Data:</p> <ul style="list-style-type: none"> • Fiscal and program participation data from tables in U.S. Department of Health and Human Services; U.S. Congress, House Committee in Ways and Means; and Communications with the California Department of Social Services, collected 3/86-6/95 on all 6 counties (Alameda, Butte, Los Angeles, Riverside, San Diego, Tulare). • GAIN –26 Form Background characteristics (race, ethnicity, family composition, education and training and welcomes and employment history). Computerized records for 9,421 welfare recipients in Alameda and Los Angeles Counties. Manual records for welfare clients in San Diego, Tulare, Butte, and Riverside Counties. Random sub-sample of 1,439 program group members, collected for 5 years after random assignment. • California State Unemployment Insurance earnings and benefits records for 33,000 welfare recipients in program and control groups in all 6 counties, collected up to 2 years prior to random assignment through 6/93. • Welfare receipt, payment levels and Food Stamps benefits records from automated welfare payment records for 33,000 welfare participant in program and control groups in all 6 counties, collected up to 2 years prior to random assignment and through 6/93. • Comprehensive Adult Student Assessment Program (CASAS) data with basic reading and math assessment on 33,000 welfare recipients in program and control groups in all 6 counties, collected prior to random assignment. <p>Interview Data:</p> <ul style="list-style-type: none"> • In depth, in-person, non-structured interviews with program case managers and administrators. Not reported: number in sample and data collection schedule. <p>Survey Data:</p> <ul style="list-style-type: none"> • MDRC self-administered Staff Activities and Attitudes Survey with 960 completed questionnaires for GAIN staff in all 6 counties, collected 1 and 2 years after program initiation. • GAIN in-person registrant survey with 3,544 completed interviews with single-parent family welfare recipients, including 1,925 program members and 1,619 control group members. Collected 26-37 months after random assignment in Alameda, Los Angeles, Riverside, San Diego, and Tulare Counties.
<i>Outcomes / Impacts Examined by These Studies:</i>	Program emphases in the 6 counties, earnings, AFDC payments, welfare savings, Food Stamp payments, job search and employment, basic education, and program costs.

Appendix Exhibit B.17
Los Angeles Replication Study

Los Angeles Replication Study	
<i>Evaluator:</i>	Manpower Demonstration Research Corporation (MDRC)
<i>Sponsor:</i>	Los Angeles County Department of Public Social Services; U.S. Department of Health and Human Services; The Ford Foundation
<i>Contact:</i>	Steve Freedman
<i>Contact Phone</i>	(410) 977-2434
Program Description:	
<i>Overview:</i>	In 1993, Los Angeles County began shifting its GAIN program from a strategy emphasizing basic education to that focused on quick employment. This strategy was partly stimulated by the findings from the GAIN evaluation and, in particular, the results from nearby Riverside County.
<i>Sites:</i>	<ul style="list-style-type: none"> • Los Angeles County
<i>Target Population (Requirements for eligibility or exemption):</i>	Individuals in Los Angeles's welfare to work program
<i>Program Objectives:</i>	To increase employment and foster self-sufficiency among people receiving Aid to Families with Dependent Children.
<i>Program Components:</i>	<ul style="list-style-type: none"> • Communicating a strong Work First message- GAIN staff regularly communicate to program enrollees that finding employment is the goal of all program activities • Job Search assistance- Los Angeles County Office of Education provides job search services for program enrollees. • Enforced participation mandate

Appendix Exhibit B.17 (Continued)
Los Angeles Replication Study

Evaluation Description:	
<i>Period Covered:</i>	1995-1999
<i>Overview:</i>	MDRC is conducting an evaluation of Los Angeles's restructured welfare to work program, entitled Jobs First GAIN. The design is descriptive and experimental.
<i>Sites Studied / Sample:</i>	Approximately 21,000 individuals who were required to participate in Los Angeles Jobs-First GAIN program between April 1 and September 11, 1996. All participants were members of single parent or two-parent AFDC households. A rigorous experimental design based on random assignment to experimental and control groups is used in the evaluation. Experimental group members have access to Jobs-First GAIN's program services and its Work First message. Control group members receive AFDC/TANF payments but are precluded from receiving Jobs-First GAIN services.
<i>Process/ Implementation Study</i>	MDRC assisted the county in designing, testing, and implementing a random assignment module housed in their tracking system. This random assignment was conducted for over 21,000 welfare recipients. As part of the process study, five LA County GAIN offices were visited several times to undertake field research.
<i>Impact Analysis</i>	Uses an experimental design to provide descriptive information of outcomes for control and treatment group members. The analysis focuses on participation in welfare program, employment services, and employment.
<i>Data</i>	Administrative Records <ul style="list-style-type: none"> • AFDC • Food Stamps • UI wage records • Two-year client follow-up survey (approximately 750 observations)

Appendix Exhibit B.18 Welfare to Work Evaluation

Welfare to Work Evaluation	
<i>Evaluator:</i>	Mathematica Policy Research Urban Institute SSI Support International
<i>Sponsor:</i>	ASPE, DHHS
<i>Contact:</i>	Alan Hershey, Mathematica
<i>Contact phone #:</i>	(609) 275-2384
Program Description:	
<i>Overview:</i>	The Balanced Budget Act of 1997 provided \$3 billion over two years to the Department of Labor to fund welfare to work programs. The purpose of the grants is to expand the base of knowledge about programs aimed at moving the least job-ready recipients into unsubsidized employment. Funds are divided into two grant areas: 75% allocated to states according to a formula and 25% allocated to communities on a competitive basis.
<i>Sites:</i>	Formula Grants through states to SDAs; 51 competitive grants will be awarded
<i>Target Population (Requirements for eligibility or exemption):</i>	At least 70% of funds must be expended for the benefit of recipients of assistance who have received assistance for at least 30 months or are within 12 months or reaching the time limit. In addition, individuals who receive the services must meet two of the following: not a high school graduate and no GED, requires substance abuse treatment for employment, or has a poor work history.
<i>Program Objectives:</i>	Program objectives include placements in unsubsidized employment, placement in unsubsidized employment that lasts at least 6 months, placement in the private sector and public sector, earnings of those who work, average expenditures per placement.
<i>Program Components:</i>	Generally include an unambiguous focus on employment, a range of work-focused services (i.e. job search, skills training), consequences for non-performance, ongoing support to help overcome barriers to work (i.e. child care, medical assistance), and strong communication between various agencies.

Appendix Exhibit B.18 (Continued)
Welfare to Work Evaluation

Evaluation Description:	
<i>Period Covered:</i>	Final report due January 1, 2001
<i>Overview:</i>	The evaluation goal is to assess how localities organize to help the hardest-to-serve overcome their employment barriers and measure the impact and effectiveness of these locally based efforts.
<i>Sites Studied / Sample:</i>	Sites: Descriptive Assessment of all WtW grantees (750); Experimental Impact Analysis sites (10); Process Analysis sites (15)
<i>Descriptive Study Overview:</i>	An overview of the range of program designs and basic outcomes for all grantees. To provide a framework for selecting sites for the more in-depth outcomes studies and to provide a context for these sites. Design framework: descriptive overview of all WtW sites; monitoring of outcomes for all WtW sites.
<i>Descriptive Study Data Sources:</i>	<ul style="list-style-type: none"> • State plans • Competitive grant applications • WtW data on participants, outcomes, and expenditure data • Mail survey of all WtW grantees and all SDAs • Visit 35 sites
<i>Implementation / Process Study Overview:</i>	Objective is to understand how formula WtW programs and those selected for knowledge building have been implemented (in conjunction with outcome studies); to provide information regarding replication of successful programs (i.e. what worked, pitfalls to avoid). A total of 15 sites will be included in the process study, including formula and competitive grantees.
<i>Implementation / Process Study Data Sources:</i>	<ul style="list-style-type: none"> • Site reports/documents • Site visits • Interviews with program administrators and staff • Potential focus groups with participants in selected sites
<i>Impact Study Overview:</i>	What is the impact of formula and knowledge-building WtW programs on the target population? Objective is to build knowledge on selected innovative program designs and their impact. Design framework: Experimental design study for grantee sites that serve adequate numbers of people and represent either typical or innovative service approaches. These ten sites will be included in the implementation and process studies. The samples per site will include approximately 1,000 cases split between experiment and control groups

Appendix Exhibit B.18 (Continued)
Welfare to Work Evaluation

Evaluation Description (continued):	
<i>Impact Study Data Sources:</i>	<ul style="list-style-type: none"> • TANF data • UI wage data • Follow-up survey of experimental and control groups • WtW data • Administrative expenditure data
<i>Cost-benefit Study Overview:</i>	<p>Objective is to determine the relative cost and impact of different WtW efforts for replication purposes.</p> <p>Design framework: Benefit-cost assessment for the selected formula and competitive WtW sites.</p>
<i>Cost-benefit Study Data Sources:</i>	<ul style="list-style-type: none"> • Impact estimates • Administrative expenditure data
<i>Outcomes of Interest</i>	<p>Implementation and operations</p> <ul style="list-style-type: none"> • Stakeholders involved, including other agencies • Participants served • Description of services • Participant activities and outcomes • Baseline-current program • Goals, rationale, and innovation • Program development <p>Impact</p> <ul style="list-style-type: none"> • Job placements (and duration) • Earnings • Expenditure per placement • Welfare participation • Child support participation • Cost-effectiveness ratio

Appendix Exhibit B.19
Employment Readiness Demonstration Project (ERDP) Evaluation

Employment Readiness Demonstration Project (ERDP) Evaluation	
<i>Evaluator:</i>	California State University (CSU)- Bakersfield
<i>Sponsor:</i>	California Department of Social Services
<i>Contact:</i>	Ken Nyberg
<i>Contact phone #:</i>	(805) 664- 2109
Program Description:	
<i>Overview:</i>	ERDP is designed to assist California Work Opportunity and Responsibility to Kids (CalWORKs) program recipients with multiple barriers to achieve self-sufficiency through unsubsidized employment. Services are targeted towards these individuals due to their need for intensive and specialized employment services such as supported work training, treatment for substance abuse, mental health, domestic violence problems, and short-term vocational training. Unlike the program that preceded CalWORKs, Greater Avenues for Independence (GAIN), participation exemptions are not allowed for individuals who are dependent on alcohol or drugs, or have emotional or mental problems.
<i>Sites:</i>	Seven Sites in Eight Counties in California
<i>Target Population (Requirements for eligibility or exemption):</i>	CalWORKs recipients over the age of 18, who have minimal or no previous attachment to the labor force, and who have multiple barriers that inhibit their ability to obtain or retain employment.
<i>Program Objective:</i>	To assist adults with multiple barriers to employment to become self-sufficient through training and supportive services.
<i>Program Components:</i>	<p>ERDP is defined by the following components:</p> <ul style="list-style-type: none"> • Orientation (participants are informed of ERDP services and requirements); • Assessment (employment barriers are identified); • Substance abuse testing and assessment; • Work experience or supported work, consisting of concurrent enrollment in work experience or supported work and the necessary supportive services; and • Service strategies such as vocational counseling, supervised job search, short-term skills training, unsubsidized employment, and post-employment services.

Appendix Exhibit B.19 (Continued)
Employment Readiness Demonstration Project (ERDP) Evaluation

Evaluation Description:	
<i>Period Covered:</i>	July 1998– July 2001
<i>Overview:</i>	Experimental / Descriptive
<i>Sites Studied / Sample:</i>	<p>Sites:</p> <ul style="list-style-type: none"> • Fresno County; • Humboldt County; • Orange County; • Santa Cruz/ Monterey County; • San Diego County; • Sonoma County; and • Ventura County. <p>A multi-level screening process is developed to select individuals for ERDP.²¹ Individuals are assigned into “treatment” and “tracking” groups for those identified as having multiple barriers. The “treatment” group receives the ERDP services and the “tracking group” receives services as available under CalWORKs.</p>
<i>Outcomes and Impact Study Overview:</i>	Experimental: This quantitative study will determine whether the ERDP achieved the expected results and resulted in findings consistent with similar projects.
<i>Cost-Benefit Study Overview:</i>	Descriptive / Analytical: This study identifies project costs and savings, and the change in the project’s cost-effectiveness over time.
<i>Process Study Overview:</i>	Descriptive: This qualitative study examines the strengths and weaknesses in the project as a whole or in its components; the barriers to project implementation; impediments to project effectiveness, and negative side effects of the project.

²¹ The screening process includes the following steps. (1) the county’s population is screened by California Department of Social Services for 4 years cumulative on aid and 6 months or less cumulative work history; (2) the selected population is screened for 6 months or less cumulative work history/ earnings and no earnings in the prior 3 months; (3) the population from the above list is interviewed for various employment barriers.

Appendix Exhibit B.19 (Continued)
Employment Readiness Demonstration Project (ERDP) Evaluation

Evaluation Description: (Continued)	
<i>Data Sources:</i>	<p>MEDS:</p> <ul style="list-style-type: none"> • MEDS compiles data collected by county welfare, social service offices, the SSA, health care plans, Medi-Cal, food stamp programs, AFDC/ TANF, County Medical services Program, and SSI/ SSP. • Data includes eligibility status and recipient demographics, and is used in determining eligibility for assistance. • The database is updated nightly by the Department of Health services. <p>CDS:</p> <ul style="list-style-type: none"> • County-maintained systems with data on amount of aid payments, amount of food stamp coupons issued, composition of the Assistance unit, and earnings. <p>EDD Base Wage File:</p> <ul style="list-style-type: none"> • Contains employer-reported quarterly taxable wage payments of UI/ DI-covered employment. <p>Q5:</p> <ul style="list-style-type: none"> • Consists of county-level data collection and in-depth verification of data elements, including TANF and Food Stamp case information, demographic data, household composition, household resources and assets, and employment and training program participation. • The Q5 is not available in all counties, and the sample is drawn monthly, with data available three months after the sample month.
<i>Outcomes of Interest</i>	<p>Outcomes and Impact Study:</p> <ul style="list-style-type: none"> • Subsidized and unsubsidized employment rates • Length of employment; • Earned income; • Recidivism rates; • Cost Benefit Study: • Cost-savings; • Change in cost-effectiveness over time; <p>Process Study</p> <ul style="list-style-type: none"> • Barriers to project implementation; • Variation in implementation across sites.

Appendix Exhibit B.20
Wisconsin New Hope Project²²

New Hope Project	
<i>Evaluator:</i>	Manpower Demonstration Research Corporation (MDRC)
<i>Sponsor:</i>	New Hope, Inc.
<i>Subcontractors:</i>	Westat
<i>Contact:</i>	Robert C. Granger, MDRC
<i>Contact phone #:</i>	(212) 340-8656
Program Description:	
<i>Overview:</i>	In addition to employment and support services, the New Hope Project makes use of financial incentives that raise the incomes of low-wage, full-time workers above the poverty line. Furthermore, New Hope's provision of community service work for harder-to-place workers tries to provide work for any eligible persons who want to participate.
<i>Sites:</i>	Two targeted neighborhoods in Milwaukee, Wisconsin.
<i>Target Population (Requirements for eligibility or exemption):</i>	<p>To be eligible to participate in the New Hope Project, participants must meet four requirements:</p> <ul style="list-style-type: none"> • They must live in two targeted neighborhoods and be age 18 or older; • They must be willing and able to work full time (at least 30 hours a week); and • Must have a household income at or below 150 percent of the federal poverty level. <p>This program is not restricted to individuals receiving public assistance; others can volunteer if they meet eligibility requirements.</p>
<i>Program Objectives:</i>	To change low-wage employment by addressing welfare issues such as too few jobs, too low wages, and a welfare reform system that stacks the deck against work.

²² New Hope is not a welfare reform evaluation, but rather a study of a community based program that offers an alternative to person on welfare (and other low-income individuals). However, the individual in the study are impacted by welfare reform policies and the types of data collected for the New Hope evaluation are similar to those for state welfare reform studies.

Appendix Exhibit B.20 (Continued)
Wisconsin New Hope Project

Program Description (continued):	
<i>Program Components:</i>	<ul style="list-style-type: none"> • Job search assistance is provided as needed. Participants' interests and skills are identified; ongoing advice on job retention services and employment leads are provided. Community service jobs are provided when needed to fulfill the work requirement. • New Hope supplements the earnings of program participants who work 30 hours or more a week so that when earnings are combined with state and federal Earned Income Tax Credits, annual household income rises above the poverty line. • Participants are linked with service providers to arrange child-care and health insurance. Counseling is provided if needed. Case managers maintain contact with participants, assist in job retention and securing better jobs over time, and assist in arranging other services if needed.
Evaluation Description:	
<i>Period Covered:</i>	June 1994 – December 1998
<i>Overview:</i>	The evaluation includes implementation, impact, and cost studies.
<i>Sites Studied / Sample:</i>	<p>Sites: Two targeted neighborhoods in Milwaukee, Wisconsin.</p> <p>Sample: 1,357 low-income individuals meeting eligibility requirements were randomly assigned to either a program group or a control group containing 678 and 679 recipients, respectively. Program group members were provided with New Hope support services, job search/skills assistance, and financial incentives; control members were not eligible for program New Hope program components, but able to use other community services.</p>
<i>Implementation / Process Study Overview:</i>	Descriptive: This qualitative study analyzes patterns of program participation and key aspects of program operation such as administering the wage supplements and creating community service jobs. In addition, this study reviews the context of New Hope to identify major factors affecting implementation and subsequent impacts of the program (e.g. labor market conditions).
<i>Impact Study Overview:</i>	Experimental: This quantitative study estimates the impacts of the Project on critical economic and non-economic outcomes. Major hypotheses concerning program effectiveness will be tested, including an assessment of whether the Project New Hope is more or less effective in meeting its objectives for various subgroups, including a separate child and family study funded by the MacArthur Network.
<i>Cost Study Overview:</i>	Descriptive / Analytic: This quantitative study will estimate the cost of the New Hope program per participant. The study will also attempt to assess New Hope when compared to the services available to the entire group.

Appendix Exhibit B.20 (Continued)
Wisconsin New Hope Project

Evaluation Description (continued):	
<i>Data Sources:</i>	<p>Administrative data:</p> <ul style="list-style-type: none"> • AFDC, UI, Food Stamp, and Medicaid records for all program and control group members. • Data regarding program participation data and program child-care and health insurance dating. Collected in New Hope MIS monthly from all 678 program group members. • Data from the 1990 Census. • Program documents including program rules, materials about the overall structure of agencies that provide services and funding sources. • New Hope project data. <p>Interview:</p> <ul style="list-style-type: none"> • Key informant interviews with program staff and others. Collected on an ongoing basis via quarterly visits during program operations. • Follow-up: Structured interview at 24 months past random assignment, including a special interviews for those parents who (at baseline) had children age 1.5-10; their children also completed an interview if they are age 5 or over at follow-up. All 1,357 participants completed at least the basic structured interview. • Information regarding attitudes of those who applied to participate in the New Hope Program collected from focus group interviews with 36 program participants prior to random assignment. <p>Survey:</p> <ul style="list-style-type: none"> • In-person Personal Opinion Survey (POS) collected from all 1,357 participants, prior to random assignment. • In-person Background Information Form (BIF) collected from all 1,357 participants, prior to random assignment. • In-person special survey of neighborhood resident dwellings in a random sample of 876 dwelling units in the New Hope sample neighborhood.
<i>Outcomes / Impacts Examined by These Studies:</i>	<p>Attitudes towards work and welfare, attitudes towards program, behavior problems in children, child education, child emotional well-being, child health, developmental outcomes, HS credential attainment, emotional well-being, job readiness / training, job attainment and retention, job promotion, births/pregnancies, family formation and stability, parent-child interactions, cost-effectiveness, earnings, food stamp receipt, welfare receipt, service utilization, program implementation, and standard of living.</p>

Appendix Exhibit B.21 Immigrants in New York Evaluation

Immigrants in New York: Their Legal Status, Incomes, and Taxes	
<i>Evaluator:</i>	The Urban Institute
<i>Sponsor:</i>	ASPE, DHHS
<i>Possible Contacts:</i>	Jeffrey S. Passel, Rebecca L. Clark, Urban Institute
Project Description:	
<i>Overview:</i>	The study draws upon data resources of various agencies to generate a broad picture of the financial status for various groups of immigrants. Policy insight is gained by comparing the status of these groups with the policy status of the “native-born” population. Passel and Clark conducted the New York Study.
<i>Sites:</i>	New York State
<i>Target Population (Requirements for eligibility or exemption):</i>	Immigrants and their families in New York including: <ul style="list-style-type: none"> • Naturalized Citizens • Legal, permanent resident aliens (green card holders) • Refugees • Legal, non-immigrants (e.g. diplomats, foreign students...etc) • Undocumented aliens residing
<i>Program Objectives:</i>	To assess the potential effects of welfare reform upon immigrants, and to balance the research and policy debate by highlighting the contributions of immigrants and immigrant-owned businesses.
<i>Program Components:</i>	<ul style="list-style-type: none"> • Under PRWORA and the Illegal Immigration Reform and Illegal Immigrant Responsibility Act (IIRIRA), attainment of citizenship is a principle criterion for receipt of public benefits. • New Immigrants are barred from TANF and Medicaid for their first five years and from SSI until they become citizens. There are also certain restrictions on immigrants for Food Stamps.²³

²³ For a description of the categories of immigrants who will be eligible for Food Stamps after November 1, 1998, see www.usda.gov/fcs/stamps/polimgtr.htm.

Appendix Exhibit B.21 (Continued)
Immigrants in New York Evaluation

Evaluation Description:	
<i>Period Covered:</i>	September, 1997 – August 31, 2000
<i>Sites Studied / Sample:</i>	Site: New York
<i>Evaluation Overview:</i>	Descriptive / Analytical: This qualitative and quantitative study tries to provide an analysis of the immigrant's financial status with regard to public finance. By examining data from myriad sources, the study will compare this status with the native population, in the hopes of balancing public debate.
<i>Data Sources:</i>	<ul style="list-style-type: none"> • In-depth personal interviews with immigrants, staff, and administrators of public agencies • Data provided by the INS, Office of Refugee Management, the U.S. Bureau of the Census, the Current Population Survey, and the New York City Housing and Vacancy Survey.
<i>Outcomes / Impacts Examined by These Studies:</i>	Earnings, taxes, immigrants net contribution, immigrants reliance of government social programs, population of legal vs. illegal immigrants, differences in contribution between different types and different generations of immigrants, understanding immigrant adaptation process.

Appendix Exhibit B.22

Impact of Welfare Reform on Immigrants

Impact of Welfare Reform on Immigrants	
<i>Evaluator:</i>	The Urban Institute
<i>Sponsor:</i>	ASPE, DHHS
<i>Possible Contacts:</i>	Maria Enchautegui, (202) 261-5696
Program Description:	
<i>Overview:</i>	The focus of this project is the impact of Welfare Reforms, particularly Food Stamp reductions, on immigrants. The study builds a profile of immigrants who are currently receiving, or in the past received, Food Stamps. The profile of immigrants includes information on health status, program participation, employment, as well as knowledge of Welfare Reform changes.
<i>Sites:</i>	New York City and Los Angeles
<i>Target Population (Requirements for eligibility or exemption):</i>	Immigrants who are past or present Food Stamp recipients in New York City and Los Angeles.
<i>Program Objectives:</i>	To study the impact of welfare reforms, especially reductions in Food Stamp benefits, on the immigrant population. The study strives to paint a comprehensive profile of the immigrant population that is affected by welfare policy changes.
<i>Program Components:</i>	<ul style="list-style-type: none"> • Under PRWORA and the Illegal Immigration Reform and Illegal Immigrant Responsibility Act (IIRIRA), attainment of citizenship is a principle criterion for receipt of public benefits. • New Immigrants are barred from TANF and Medicaid for their first five years and from SSI until they become citizens. There are also certain restrictions on immigrants for Food Stamps.²⁴

²⁴ For a description of the categories of immigrants who will be eligible for Food Stamps after November 1, 1998, see www.usda.gov/fcs/stamps/polimgtr.htm.

Appendix Exhibit B.22 (Continued)
Impact of Welfare Reform on Immigrants

Evaluation Description:	
<i>Period Covered:</i>	1997-2000
<i>Sites Studied / Sample:</i>	Sites: New York and Los Angeles Sample: 1,600 households in each city. Subjects are/ were Food Stamp recipients either currently, or before reforms, or both.
<i>Evaluation Overview:</i>	The study's main focus is the impact of Food Stamp reductions on the immigrant population. It is also interested in assessing income support, and other profiles of the immigrant population.
<i>Data Sources:</i>	Data is collected mainly through a comprehensive telephone survey beginning in January, 1999. The same survey is being used in New York and Los Angeles No administrative data is used.
<i>Outcomes / Impacts Examined by These Studies:</i>	Employment, program participation, health status, personal knowledge of Welfare Reform changes. Some information on SSI participation is collected.

Appendix Exhibit B.23
Core Constructs for the Project on State-Level Child Outcomes²⁵

Target of Welfare Policies	Other Variables Likely to be Affected by State Policies	Aspect of Child's Environment likely to be affected by Previous Columns	Child Outcomes
<u>INCOME:</u> <ul style="list-style-type: none"> Total income Sources of Income (mother's earnings, father's earnings, child support, AFDC, food stamps, SSI, Foster Care/Adoption) Stability of Income Financial Strain/Material hardship <u>EMPLOYMENT:</u> <ul style="list-style-type: none"> Any vs. None Health benefits through employment Wages (hourly) Hours of employment Stability of employment Education/Licenses Job Skills (Hard) Multiple jobs concurrently Barriers to Employment (harassment, violence) <u>FAMILY FORMATION:</u> <ul style="list-style-type: none"> Nonmarital birth/Marital birth Child/Family living arrangements Marital Status, whether married to biological or non-biological father 	<u>PSYCHOLOGICAL WELL-BEING:</u> <ul style="list-style-type: none"> Depression <u>STABILITY AND TURBULENCE:</u> <ul style="list-style-type: none"> Foster care Stability in child care Stability in income # of moves of residence Change in marital status or cohabitation Why child not living with family <u>ABSENT PARENT INVOLVEMENT:</u> <ul style="list-style-type: none"> Whether child support provided Paternity establishment Frequency of contact with child <u>USE OF HEALTH & HUMAN SERVICES:</u> <ul style="list-style-type: none"> Food stamps Medicaid (awareness, use, eligibility) Child care subsidy (awareness, use, eligibility) Access to medical care <u>CONSUMPTION:</u> <ul style="list-style-type: none"> % of income spent on child care and rent 	<u>CHILD CARE:</u> <ul style="list-style-type: none"> Type Extent Quality (group size, ratio, licensing, parent perception) Stability Child Care Calendar for last several years <u>HOME ENVIRONMENT AND PARENTING PRACTICES:</u> <ul style="list-style-type: none"> Child Abuse/neglect (Admin. Data) <i>Domestic Violence/Abusive Relationships</i> Family Routines Aggravation/stress in parenting HOME (Emotional Support and Cognitive Stimulation Scales) 	<u>EDUCATION:</u> <ul style="list-style-type: none"> Engagement in school (ages 6-12) School attendance (All Child) School Performance (All Child) Suspended/expelled (All Child) Grades (ages 6-12) <u>HEALTH AND SAFETY:</u> <ul style="list-style-type: none"> Hunger/nutrition (ages 5-12) <i>Rating of child's health (ages 5-12)</i> Regular source of care (ages 5-12) Teen Childbearing (ages 14-17) (All Child) Accidents and injuries (All Child) <u>SOCIAL & EMOTIONAL ADJUSTMENT:</u> <ul style="list-style-type: none"> Behavior problems Index (ages 5-12) Arrests (All Child) Positive Behaviors/Social Competence Scale (ages 5-12)

²⁵This table was adapted from Suzanne Miller LeMenestrel, "The Project on State-Level Child Outcomes," *Focus* 19, no. 1 (Summer/Fall 1997), p. 66. The table of core constructs was originally based on a conceptual model emerging during the 12-state planning phase of the Project on State-Level Child Outcomes. An earlier version of the model was proposed by Zaslow, Moore, Morrison, and Coiro (1995). "The Family Support Act and Children: Potential Pathways of Influence." *Child and Youth Services Review*.

Appendix Exhibit B.24
Summary of Well-Being Measures in the National Survey of America's Families

Well-Being Construct/Items to be Measured	Person/Unit for Whom Measured:		
	Child	Parent/ Adult	Family/ Household
Economic Security			
Poverty/family income			X
Parent/Adult employment/earnings/work stability		X	
Health insurance coverage (includes Medicaid)	X	X	
Parent/Adult use of education and training		X	X
Child support	X	X	X
Use of public assistance (includes AFDC, SSI)	X	X	X
Use of food assistance (includes Food Stamps, WIC, school lunch and school breakfast)	X	X	X
Economic hardship			X
Food Security		X	X
Use of housing assistance			X
Housing adequacy/stability/crowding	X	X	X
Health and Health Care			
Health status/limitations	X	X	
Hospitals stays and Physician visits	X	X	
Health care access, use, and satisfaction	X	X	
Health care monitoring (includes dental visits, well-care/preventive care)	X	X	
Unable to afford medical/dental care, medicine	X	X	
Child's Education/Cognitive Development			
Grade for age	X		
Problem doing well in school, with school work	X		
Whether parents read or tell stories to child	X		
Whether parents take child on outings	X		
Child care use (including amount, type, quality, stability)	X		X
Child's Social Development and Positive Development			
Employment and participation in training programs	X		
Participating in recreational activities: Teams, clubs, scouts, religious groups	X		
Child's Behavior Problems			
Behavior Problems Index	X		
Cut classes/suspended expelled from school	X		

Appendix Exhibit B.24 (Continued)
Summary of Well-Being Measures in the National Survey of America's Families

Well-Being Construct/Items to be Measured	Person/Unit for Whom Measured:		
	Child	Parent/ Adult	Family/ Household
<i>Family Environment</i>			
A) Family Structure			
Whether two-parent family, whether biological parents present	X	X	
Visitation with noncustodial parent (if relevant)	X		
Stability/turbulence (included changes in family composition, housing, child care)	X	X	X
B) Parent/Adult Psychological Well-being			
Depression		X	
Attitudes toward parenting		X	
Participation in volunteer/religious activities		X	
C) Family Stress			
Problems in family (including mental health, family conflict)	X	X	X
D) Immigration Status	X	X	X
E) Child-Rearing Practices			
Monitoring: well-child care; dental visits	X		
<i>Community Environment</i>			
Knowledge of community services availability		X	

Source: Urban Institute (1997) "National Survey of America's Families Questionnaire" Assessing the New Federalism. Washington, DC

Appendix Exhibit B.25

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**APPENDIX C
STATE SITE VISIT REPORTS**

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California

Introduction

In many ways, understanding the effects of welfare reform in California is pivotal to understanding the effects of welfare reform for the nation as a whole. California not only has the largest population in the United States, but also the largest welfare population. The state also has a disproportionate share of drug addicts, alcoholics, and immigrants who have been affected by recent SSA-related reforms. California has also been one of the leading states in welfare program experimentation, having had ongoing welfare waiver demonstration projects since 1992. Examination of the effects of these early reforms could be particularly useful in predicting the effects of the TANF-era welfare reform at both the state and national levels. As evidenced by the number of recent and ongoing welfare evaluation and research efforts in California, the state and county welfare officials are supportive of welfare program research and the use of administrative databases in such research efforts. For these reasons, The Lewin Group selected California as a site visit state for this project.

The Lewin Group conducted site visits to Sacramento, Los Angeles County and Alameda County in Florida between October 5 and October 7, 1998, to gather contextual evidence of the overall effect of welfare reform on SSA programs and to identify resources for use in possible future evaluations. Our findings are based on information that was gathered from several federal, state, and local organizations and, when available, information from state reports (including outside evaluations). We interviewed representatives from the following state agencies, SSA offices, and organizations:

- ◆ California Department of Social Services, Welfare-to-Work Division (Sacramento);
- ◆ California Department of Social Services, Disability and Adult Services Division (Sacramento);
- ◆ California Department of Social Services, Program Planning and Performance Division (Sacramento);
- ◆ Los Angeles Department of Public Social Services;
- ◆ Urban Research Division of Los Angeles County;
- ◆ Alameda County Social Services Agency;
- ◆ SSA District Offices (Los Angeles and Alameda Counties); and
- ◆ University of California Data Archive and Technical Assistance Center at the University of California – Berkeley.

In addition, we met with a group of disability advocates and providers of independent living services to people with disabilities. We devoted much of our time during our visit learning about California's TANF program, CalWORKs (California Work Opportunity and Responsibility to Kids), and opportunities to assess its possible future effect on SSI applications specifically and people with disabilities, in general. In addition, we explored the possible effects of other welfare reforms in California, including: Medicaid expansions, California's Child Health Insurance Program, reforms affecting non-citizens, and Food Stamps.

The remainder of this chapter is organized as follows. In Section B, we summarize our findings. Section C provides background on welfare reform in California. Section D provides more detail and discussion surrounding the aspects of welfare reform in California that are particularly relevant to people with disabilities. In Sections E and F, we discuss ongoing evaluations and data resources in California that are likely to be of particular interest to SSA if it pursues evaluation activities concerning welfare reform in California.

G. Summary of Findings

We summarize our findings into three general categories. The first category includes findings on the effects of welfare reform on SSA programs. The second category includes findings on the effects of SSA reforms, as perceived by California interviewees. Our final category includes findings that could be useful for SSA in future evaluations. This category includes findings regarding ongoing state welfare reform evaluations, as well as information on available administrative data sources.

1. Effect of State Reforms on Persons with Disabilities and SSA Programs

Based on our interviews, it appears that SSI applications and program participation will not experience the full effect of welfare reform in California for several years, especially if the state's economy remains healthy and funding levels for training and other support services remain high. While there are some indicators that welfare reform in California may eventually produce an increase in SSI applications, there are reasons to believe that such an increase would not be very large. The chief reasons to expect an increase in SSI applications are:

1. Since the 1980s, many California county social service agencies have provided SSI advocacy services as part of their General Relief (GR) programs. Based on the presence and success of these programs, it is possible that some counties may implement SSI advocacy components as part of their CalWORKs programs. One county we visited (Alameda) is in fact developing an SSI advocacy component to its CalWORKs program. This component will be co-located with the county's in-take and case management offices. Given the past success that Alameda County has had diverting GR recipients and helping them apply for SSI, it would not be surprising if the county had similar success diverting CalWORKs recipients, even though the rate of disability in the CalWORKs population is likely to be smaller than in the rate of disability in the GR population. We heard anecdotal evidence at the state level that other counties may be considering an SSI advocacy component in their CalWORKs program. It is our understanding that before the implementation of welfare reform, no county in California had an SSI advocacy program that targeted the AFDC population, although some AFDC recipients may have been identified through other county efforts.
2. The definition of disability used to determine time limit and work requirement exemptions under the CalWORKs program is narrower than the definition previously used under both California's AFDC program and its JOBS program, Greater Avenues for Independence (GAIN). Furthermore, it appears the CalWORKs definition will be applied much more strictly than the definition used under the AFDC and GAIN programs. Most notably, the CalWORKs program does not exempt individuals from welfare-to-work activities on the basis of severe substance abuse or mental or emotional impairments. Instead, it requires

participants with such disorders to undergo treatment while participating in welfare-to-work activities. If this protocol becomes too onerous for some participants, it is possible that they may abandon the CalWORKs program and apply for SSI.

3. The chief arguments supporting the position that welfare reform will have little impact on SSI applications in California are:
4. As mentioned earlier, many county social services agencies have long-standing and extensive outreach efforts to identify people with disabilities and to assist them with the SSI application process. While most of these efforts have been focused on GR recipients, several officials with whom we spoke argued that the counties have done a very good job of “mining” the entire population, and not just the GR population, for potential SSI recipients. Furthermore, counties have less fiscal incentive to help CalWORKs recipients obtain SSI benefits than for GR recipients. Consequently, they believed that new efforts are unlikely to result in a large, previously unidentified population applying for SSI.
5. Although California has tightened its definition of disability for granting exemptions from welfare-to-work activity, the state has also devoted significant new resources to help people with disabilities find and maintain jobs. This is particularly true for those CalWORKs recipients who have a substance abuse problem or have an emotional or mental impairment. The Employment Readiness Demonstration Project is a prime example of California’s interest in increasing the economic self-sufficiency of people who are “hard to serve,” including people with disabilities. Efforts such as the ERDP to help the hard to serve find and retain jobs, especially if funding for support services remain high, could dampen any increase in SSI applications resulting from welfare reform.
6. California appears to be willing to grant lifetime exemptions to people with disabilities who truly are unable to work, and include them within their 20 percent exempt population. Given that this option is less onerous for many borderline SSI recipients than the SSI application process, it is likely that many potential applicants will simply be content with continuing to receive the same benefits they have received in the past.

Although there is little consensus on the likely magnitude of the impact of welfare reform on SSI applications, there appears to be a consensus that any noticeable increase in SSI applications is unlikely to occur for three to four years.

In contrast, the people with whom we spoke expected that State Medicaid expansions and the implementation of California’s Children’s Health Insurance Program, Healthy Families, would have little, if any, effect on participation on SSI applications. Similarly, interviewees did not find validity in the hypothesis that the Food Stamp reforms requiring able-bodied adults without dependents to work would result in the identification of previously unidentified people with disabilities and, hence, produce an increase in SSI applications.

II. Effect of SSA Reforms in California

The reforms prohibiting SSI and DI eligibility for drug addicts and alcoholics (DA&A) as well as SSI eligibility for certain non-citizen groups have had a significant effect on the State of

California. Of California's approximately 44,000 DA&A recipients who were to have their benefits terminated on December 31, 1996, approximately one-third successfully appealed their terminations and were able to retain their eligibility for SSI and/or DI.²⁶ As a result, California counties have had to absorb many of the about 30,000 remaining persons into their GR programs. This shift has had a substantial budgetary impact on county governments as the counties are required by state law to pay cash benefits and provide medical assistance to all indigent populations not covered by other programs. Similarly, both the State and county governments were expecting to absorb the cost of nearly 190,000 non-citizens whose SSI eligibility was eliminated under the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA). Although the Balanced Budget Act of 1997 (BBA) restored SSI eligibility to most of these non-citizens, the threat of their termination produced significant political debate at both the state and county level as well as administrative turmoil within the State and county social services agencies, and at SSA District Offices. In addition, PRWORA resulted in the State developing the Cash Assistance Program for Immigrants (CAPI), a state-only, SSI look-alike program for non-citizens with disabilities. The changes in the definition of childhood disability for SSI have had a much smaller effect on the State. Initial estimates suggested that approximately 16,150 children were at risk of losing their SSI benefits.^{27, 28} Of the roughly 4,600 children who, as of October 1998, had been found ineligible for SSI, all but about 900 were eligible for CalWORKs upon the termination of their SSI benefits.²⁹

III. Welfare Evaluation Efforts and Data Sources

Through our site visit, we were able to learn more about a variety of resources for potential use in future evaluations of the effects of welfare reform on SSA programs. The three on-going evaluations in California described in this report– the statewide CalWORKs evaluation, the Employment Readiness Demonstration Project evaluation, and the Los Angeles County CalWORKs evaluation – each have the potential to yield findings that could inform future SSA evaluations. They also each have the potential to be used by SSA as stepping off points for its own evaluation efforts or evaluations with which SSA could potentially negotiate for add-on work.

Similarly, the three databases described in this report – the Medi-Cal Eligibility Data System (MEDS)/MEDS Longitudinal Database (LDB), the UC DATA Welfare Research Archive, and the Los Angeles County CalWORKs Longitudinal Database – each offer interesting and potentially valuable research opportunities. For simply tracking transitions from AFDC/TANF to SSI, it appears that a matching of the MEDS or the MEDS LDB to SSA administrative data or simple analysis of the MEDS or MEDS LDB alone would be the most effective research option. Because of the extensive data cleansing and verification efforts that UC DATA has conducted to

²⁶ For additional information on the DA&A reforms see: The Lewin Group (1998a). *Policy Evaluation of the Effect of Legislation Prohibiting the Payment of Disability Benefits to Individuals Whose disability is Based on Drug Addiction and Alcoholism: Interim Report*. Report prepared for the Social Security Administration, July 21, 1998.

²⁷ Source: RAND (1998). *Background and Study Design Report for Policy Evaluation of the Effect of the 1996 Welfare Reform Legislation on SSI Benefits for Disabled Children*. Report prepared for the Social Security Administration, April 1998.

²⁸ According to tabulations conducted by the Social Security Administration, Office of Disability on November 9, 1998, a total of 14,792 children in California received redetermination notices.

²⁹ Source: California Department of Social Services.

create its LDB file, we would recommend using the UC DATA LDB file over those that could be obtained from either the California Department of Health Services or the California Department of Social Services. If, however, SSA is interested in learning more about the eligibility and benefit histories of AFDC/TANF recipients transitioning to SSI, the matching of the UC DATA Welfare Research Archive and/or the Los Angeles County CalWORKs Longitudinal Database to SSA data would be more valuable.

All parties with whom we spoke expressed interest in the matching of their data to SSA administrative data. The California Department of Social Services officials with whom we spoke could not pre-commit to any particular use of State or UC DATA databases. It appears that the primary legal issues of concern for the State are issues concerning data confidentiality (e.g., who would have access to the data) and acceptable presentation of study findings. The State officials with whom we spoke could only speak generally about possible legal issues. They appeared willing, however, to answer specific questions that SSA might have. One concern expressed by both State and Los Angeles County officials is that any research effort in which they would be willing to collaborate with SSA should be in the best interest of the State or county. For example, they would be unlikely to participate in a study that focused on the shifting of welfare costs from the state and local level to the federal level. They would, however, be likely to assist SSA in a study that focused on the well-being of persons with disabilities under welfare reform, including their employment and program participation outcomes. In general, State and Los Angeles County officials were willing to work with SSA to overcome any legal issues so long as SSA assured the State/County that the proposed analysis would not produce findings that could be potentially damaging, politically or otherwise, to the State/County.

H. Overview of Welfare Reform in California

Historically, California's AFDC program has stood apart from other AFDC programs because of its comparatively generous benefit level. Even though the State reduced the nominal value of AFDC benefits substantially in the early 1990s, a family of three was still eligible for a maximum joint AFDC-Food Stamp benefit of \$852 a month, the sixth highest benefit level in the nation. During the early 1990s, California was also one of the first states to implement significant work incentives and employment focused activities as key components of its AFDC program. Prior to the enactment of federal welfare reform in 1996, California received and implemented four Section 1115 waivers for initiatives facilitating the movement of welfare recipients into the workforce. Although one of the first states to implement TANF-like reforms, California was one of the last states to comply fully with the welfare reform provisions included in PRWORA. In this section, we describe some of California's major pre-TANF reforms as well as its TANF program, CalWORKs. We also describe major reforms to the states Medicaid program and the implementation of the state's Child Health Insurance Program. Finally, we explore the specific effects that welfare reform has had on non-citizens living in California.

IV. Pre-TANF Reforms

The most significant of California's Section 1115 waivers was the California Work Pays Demonstration Project. This statewide demonstration project included modifications to both the State's AFDC and GAIN programs. The most significant of the modifications included in Work Pays were:

- ◆ The removal of both time limits placed on earned income disregards and a rule requiring unemployed parents to work less than 100 hours per month to continue to receive assistance;
- ◆ An increase in resource limits to \$2,000 and the establishment of restricted accounts in which families could save up to \$5,000;
- ◆ A welfare diversion program enabling AFDC applicants with jobs to choose Medicaid and child care assistance in place of a cash grant;
- ◆ The provision of transitional childcare and Medicaid to families who became ineligible for AFDC due to increased assets or income;
- ◆ A family cap barring benefit increases for children conceived while a family was receiving AFDC;
- ◆ A requirement that teen mothers participate in CalLearn; and
- ◆ A requirement that all AFDC parents not exempted from GAIN and who had received AFDC for 22 of the last 24 months participate in 100 hours of community work experience per month.

In 1995, the state legislature mandated that counties make substantial changes to their GAIN programs. Prior to 1995, the state allowed counties significant independence in the development and administration of their GAIN programs, with many counties choosing to emphasize education and training that would help clients find better paying jobs. Counties whose GAIN programs focused on education and training discovered that this approach tended to increase client participation time in education and training programs and frequently failed to accelerate client movement into the labor force. The 1995 legislation required that all counties adopt a “work-first” model for their GAIN programs. This approach, which had achieved success in several counties -- most notably Riverside -- required that the first activity of all GAIN participants be a job search unless the participant needed basic education. The legislation also tightened the rules for granting parents with young children exemptions from GAIN and strengthened the ability of counties to sanction AFDC recipients who were required to participate in GAIN, but did not participate. In part, because of these reforms, GAIN participation and employment rates increased substantially.

V. CalWORKs

For the first year and a half after the passage of PRWORA, California continued to operate its existing AFDC and GAIN programs under its Section 1115 welfare waivers. In fact, California was not in full compliance with PRWORA until the initiation of the California Work Opportunity and Responsibility to Kids (CalWORKs) Program on January 1, 1998. The CalWORKs Program entails a five-year cumulative lifetime limit on aid. Thus, the earliest families receiving AFDC benefits on January 1, 1998 could exhaust their lifetime limit would be December 31, 2002. CalWORKs also requires that new applicants are eligible for aid for a maximum 18 consecutive months before being required to work, with a county option to delay

this time limit for an additional six months.³⁰ Adults not employed at the end of the consecutive month time limit can continue to receive benefits so long as the county determines that a job is not available and so long as such adults participate in community service programs. Furthermore, children of adults who reach the lifetime aid limit become, in essence, child-only cases and continue to receive aid through vouchers or cash, as determined by the county. In addition, California law explicitly exempts several types of parents or caretaker relatives from the cumulative five-year time limit. A family is exempted from the five-year time limit when all parents or caretaker relatives living with an aided child meet one of the following requirements:

- ◆ Is age 60 or older;
- ◆ Cares for a ward of the court for a child at risk of foster care and his/her care taking responsibilities make it impossible for him/her to be regularly employed or to participate in welfare-to-work activities;
- ◆ Cares for ill or incapacitated household members, and his/her responsibilities make it impossible for him/her to be regularly employed or to participate in welfare to work activities;
- ◆ Receives SSI and/or State Supplemental Program (SSP), In-Home Supportive Services, State Disability Insurance, or Worker's Compensation Temporary Disability Insurance benefits, and his/her disability makes it impossible for him/her to be regularly employed or to participate in welfare-to-work; and
- ◆ Determined by the county to be incapable of maintaining employment or participating in welfare-to-work activities.

Finally, the state has established provisions that exempt certain months from a participant's cumulative five-year limit for reasons such as a short-term disability, temporary care taking responsibilities or participation in the CalLearn program for teenage mothers.

CalWORKs requires all non-exempted adult participants to accept any legal job available. Following an initial four-week job search period, single parents must participate in a minimum of 20 hours per week of work activities, while parents in two parent families must work a combined total of 35 hours per week.³¹ Acceptable work activities range from subsidized and unsubsidized employment to vocational training to specified educational activities. Counties reduce the aid grant to families in which the adults fail to satisfy their work participation requirement by the adult's portion of the cash grant.³² If this sanction lasts three or more months, however, the county must issue vouchers or vendor payments that are, at a minimum, sufficient to cover the family's rent and utility payments. The CalWORKs grant structure further encourages work by ensuring that as a recipient's earnings increases the family's combined income from earnings and benefits. As with the five-year time limit, state law exempts select populations from work requirements, including: individuals who are disabled and have medical

³⁰ Adults receiving aid prior to January 1998 are eligible for 24 consecutive months of aid.

³¹ Beginning in mid-1999, single parents will be required to participate in 32 hours of work activities per week.

³² This sanction does not affect an adult's eligibility for Medi-Cal, Food Stamps, and most other support services. In fact, a family in which an adult has been sanctioned will typically have their Food Stamp grant and housing subsidy, if they live in subsidized housing, increased to at least partially offset the decrease in cash assistance.

verification that their impairment significantly impairs the individual's ability to work, and individuals who care for an ill or incapacitated member of the household.

Although CalWORKs certainly maintains a work-first focus which might push disabled participants toward SSI, the state has also gone to great lengths to help the traditionally hard-to-serve populations obtain employment. For example, the State has substantially increased funding for, and the availability of, mental health, substance abuse, and domestic violence services, as well as transportation. The State has also streamlined and enhanced its subsidized childcare programs by bringing several previously independent programs under the CalWORKs program and ensuring that childcare will be available, at a minimum, for all dependent children 10 years of age and younger. Furthermore, the state provides transitional Medi-Cal and childcare services for 24 months and other supportive services for up to 12 months to individuals who have left CalWORKs through employment. At the other end of the need spectrum, the State is requiring each county to develop and implement a CalWORKs diversion assistance program. These programs will allow applicants to receive lump sum services or cash payments in lieu of continued cash assistance if the county determines that such assistance will likely prevent the family from needing extended assistance. Counties will have the discretion to determine a family's eligibility for diversion assistance based on a variety of factors, including: the applicant's employment history; the applicant's likelihood of obtaining full-time employment; the availability of child care; housing stability; and the applicant's need for assistance. Families participating in the diversion assistance program are eligible for Medi-Cal and childcare during the diversion period, which is equal to the value of the diversion assistance divided by the maximum aid payment for the family. State law has not established a limit to the monetary value of diversion assistance or the number of times that a county can offer assistance to an applicant. A county only receives financial credit from the State, however, if the diversion assistance diverts the applicant from CalWORKs for at least six months beyond the months of cash assistance equivalent to the value of the diversion payment/service.

In the first six months of CalWORKs, California's welfare caseload fell by over 5 percent to slightly over 2 million recipients. This decline is, in fact, a continuation of a much longer trend. Between January 1995 and June 1998, the number of families receiving AFDC/TANF benefits in California fell by over 25 percent.

VI. Medicaid Expansions and Healthy Families Insurance Program

California's Medicaid program, Medi-Cal, has historically covered a large number of optional groups and offered more optional services than all but one other state. For example, California provides Medicaid services for pregnant women up to 200 percent of poverty, while federal law only requires coverage up to 133 percent of poverty.³³ Together Medi-Cal and California's Children's Health Insurance Program, Healthy Families, which was approved by the Health Care Financing Administration in March 1998, now provide medical coverage to all children ages 19 and under in families with incomes below 200 percent of the federal poverty level. California has also historically maintained a medically needy program for several at-risk populations, including people with disabilities. In addition to the coverage provided by Medi-Cal and

³³ The Urban Institute (1997). *Income Support and Social Services for Low-Income People in California*, p. 29.

Healthy Families, state law has historically required counties to provide health services to individuals who lack health insurance and who are unable to pay for such services.

VII. Non-Citizens and Welfare Reform

California has chosen to provide CalWORKs and Medicaid benefits to qualified legal aliens regardless of when they entered the country even though federal law only authorizes states, at the state's option, to provide such benefits to those immigrants in the United States at the time of PRWORA's enactment. This means that California is responsible for the entire cost of providing CalWORKs and Medicaid benefits to those immigrants who entered the country after August 22, 1996. The state, however, has implemented provisions requiring the deeming of the income and assets of an immigrant's sponsor to the immigrant family in determining their eligibility for CalWORKs. State officials expect that this deeming of income and assets will make most immigrants applying for CalWORKs benefits financially ineligible for the program.

The SSI eligibility restrictions for non-citizens, as originally specified in PRWORA, threatened to make an estimated 190,000 legal immigrants living in California ineligible for benefits.³⁴ If these individuals had in fact lost eligibility, they would have become immediately eligible for GR and, thus, the cost of supporting this population would have shifted from the federal government to the counties. Prior to the restoration of this population's benefits by the federal Balanced Budget Act (BBA) of 1997, the eligibility restrictions caused intense debate at both the state and county level. A plan to create a state-only SSI program for immigrants that exactly mirrored the federal-state program was vetoed by the governor in the final stages of the 1997 welfare reform debates. In 1998, however, a plan was adopted to create a state-only SSI program called the Cash Assistance Program for Immigrants, or CAPI. CAPI will be implemented on December 1, 1998. The restoration of SSI eligibility to most legal aliens by the BBA, however, has significantly reduced the scope of CAPI. CAPI will now offer an SSI look-alike benefit to aged, blind, and disabled individuals who immigrated after August 1996 and whose sponsors have either died, become disabled, or are abusive. In addition, CAPI will provide benefits to certain aged and disabled non-citizens living in the United States before August 22, 1996, whose eligibility was not restored by the BBA. State officials expect that only a few thousand persons will be eligible for benefits. Currently, funding for CAPI is only authorized through the July 1, 2000. Given the narrow scope of the program, State officials suspect that it will not receive continued funding.

Similarly, the Food Stamp reforms, as originally specified in PRWORA, would have eliminated benefits for an estimated 385,000 non-citizens.³⁵ In response, California established a special State Food Stamp program effective on September 1, 1997 to provide food stamps to low-income adults 65 years or older and for minors under 18 years old who were living in the United States as of August 22, 1996. While California's state supplement generally makes SSI recipients ineligible for Food Stamps, the special Food Stamp program left many non-citizens with disabilities who were not receiving SSI ineligible for food stamps. Overall, the program was only expected to replace benefits for 25 percent of those expected to lose their federally funded food stamp benefits.³⁶ This program became obsolete with the restoration of federally

³⁴ The Urban Institute (1997), *Income Support and Social Services for Low-Income People in California*, p. 37.

³⁵ Ibid.

³⁶ Ibid.

funded food stamps to both groups as well as several other immigrant groups on November 1, 1998.

I. Effect of State Reforms on Persons with Disabilities and SSA Programs

In this section, we expand on our discussion of the previous section and focus specifically on the potential effects of welfare reform on low-income families with disabled family members. We first describe the disability determination process used in CalWORKs. We follow this with descriptions of the treatment of SSI benefits under the CalWORKs program, SSI diversion and advocacy efforts, and the support services available to CalWORKs participants with disabilities. Next, we discuss the perceived effects of Medicaid and Food Stamp reforms. We then present the interviewees' perceptions of the impact of State reforms on the employment of persons with disabilities. We conclude this section with a summary of the overall impact of State reforms on persons with disabilities and SSA programs.

VIII. Disability Determinations within CalWORKs

As discussed in the previous section, the state exempts adults with disabilities or who provide a significant level of care to an ill or disabled family member from the five-year lifetime limit on benefits, and from participation in work activities. The state will also exempt certain months from a participant's cumulative five-year limit for similar reasons, if the person's circumstances are expected to be temporary. These exemptions specifically include individuals who are receiving benefits from SSI and/or State Supplemental Program (SSP), In-Home Supportive Services, State Disability Insurance, or Worker's Compensation Temporary Disability Insurance programs, and whose disability makes it impossible for the person to be regularly employed or to participate in welfare-to-work. Individuals who are not receiving benefits from any of the programs listed above, but whose medical condition makes them incapable of participating in welfare-to-work activities can also be fully or partially exempted from the five-year time limit, as well as from work activities. While such individuals need not meet SSA's definition of disability, they must submit *bona fide* medical documentation supporting their claim to their case manager. One significant exception to this rule, however, is individuals who are seriously dependent on alcohol or drugs or who have emotional or mental problems. These individuals are no longer exempted from work activities as they were under GAIN. To offset this requirement, however, the State counts the time these individuals spend in treatment programs towards the number of hours in which they are required to participate in work activities each week.

The definition of disability in CalWORKs, while still fairly broad, is intended to result in fewer exemptions from work activities than did the definition used under the GAIN program. Nevertheless, the new definition allows for local case managers to exercise a substantial degree of discretion in granting exemptions. For example, local case managers can exempt specific months from an adult's five-year time limit, if the recipient has a medically verified disability expected to last at least 30 days. Local case managers must work within similar parameters in determining whether an adult is unable to participate in welfare-to-work activities because they are providing care to an ill or disabled family member. In granting exemptions to the lifetime limit, however, local case managers must work within the constraint that the county may only exempt 20 percent of its caseload. Counties that exempt more than 20 percent of their caseload are responsible for 50 percent of the federal sanction assessed to the state.

IX. Treatment of SSI Benefits under CalWORKs

The CalWORKs program does not count the SSI income of a SSI recipient in determining a household's eligibility for CalWORKs or in calculating a household's grant amount nor does it include the person receiving the SSI benefit in the assistance unit. The state also disregards the first \$225 of earned income or disability-based unearned income. The state defines disability-based income to include SSDI, State Disability Insurance, Worker's Compensation, and private disability insurance benefits which entailed an employee contribution.

X. Diversion of CalWORKs Recipients to SSI

The state CalWORKs plan does not specifically call for the provision of SSI diversion and advocacy services to CalWORKs participants. At least one county government is independently developing an SSI advocacy program targeted towards CalWORKs participants. Many counties currently have a well-established practice of providing SSI diversion and intensive advocacy services to people with disabilities who are receiving GR. Such practices have been particularly aggressive, and successful, in larger counties, including Los Angeles, Alameda, San Francisco, and San Diego. Counties have a strong fiscal incentive to pursue such policies as their GR programs are state mandated, but entirely county funded. While the fiscal incentive for diverting CalWORKs participants to SSI is not as large as for the diversion of GR recipients, counties may have some financial incentive to divert potentially SSI-eligible CalWORKs recipients to SSI. This incentive applies if a county has difficulty reaching its 20 percent exemption limit, because counties are responsible for 50 percent of the federal sanction.

During our California site visit, we met with officials in both the Los Angeles County Department of Public Social Services and the Alameda County Social Services Agency, the agencies responsible for administering CalWORKs in their respective counties. Currently, Los Angeles County does not have any explicit plans to develop an SSI advocacy program within its CalWORKs program. Officials with whom we spoke did suggest that such a program could be added in the future. In contrast, Alameda County is developing an SSI diversion and advocacy as an integral component of its CalWORKs program. The county plans to provide SSI advocacy at its Self-Sufficiency Centers, which will also offer integrated eligibility and employment intake, case management, job workshops, and child care referral services. While focusing on employment, the Self-Sufficiency Centers are intended to offer a "no wrong door" approach to persons seeking public assistance. Alameda's CalWORKs advocacy program will likely include some social workers from the county's GR SSI advocacy division.

XI. Support Services for People with Disabilities

The primary support services available to people with disabilities under CalWORKs include a rich set of Medicaid benefits and substantially enhanced mental health and substance abuse services. The expectation among many with whom we spoke is that through better intake assessments and case management of people with disabilities, especially those with psychiatric impairments and learning disabilities, will improve access to the services they need to become economically self-sufficient.

Although California does not have a set array of services that it offers to CalWORKs recipients with disabilities, the State Department of Social Services is currently conducting a demonstration

project to determine those employment and support services that are most needed by people with physical and/or mental impairments. The Employment Readiness Demonstration Project (ERDP) is currently operating in eight counties and serving over 1,500 “hard to serve” CalWORKs recipients. The ERDP protocol entails in depth work, educational, health, and work-related needs assessment; participation in a work experience or supported work components; vocational counseling; supervised job search; skills training; unsubsidized employment; and post-employment services of up to 12 months. Four of the counties participating in the ERDP have contracted with Goodwill Industries to provide services to the CalWORKs recipients in the demonstration.

XII.Effects of Welfare Reforms Related to Food Stamps and Medicaid

The people with whom we spoke expected that State Medicaid expansions and the implementation of California’s Children’s Health Insurance Program, Healthy Families, would have little, if any, effect on participation on SSI applications. Similarly, interviewees did not find validity in the hypothesis that the Food Stamp reforms requiring able-bodied adults without dependents to work would result in the identification of previously unidentified people with disabilities and, hence, produce an increase in SSI applications.

XIII.Employment of People with Disabilities

Perhaps because there is little immediate pressure to get the ‘hard to serve’ into jobs, we were unable to uncover much information about the employment of CalWORKs recipients with disabilities. We heard anecdotal evidence, however, of some service providers and employers providing subsidized employment opportunities to people with disabilities. One such provider is Goodwill Industries. Using funds made available through ERDP and through U.S. Department of Labor Welfare-to-Work Grants, Goodwill Industries has been actively recruiting CalWORKs recipients with disabilities for jobs in subsidized employment at several sites throughout California. It is our understanding that in addition to providing employment, Goodwill Industries is also providing vocational counseling, on-the-job training, and assistance in finding unsubsidized, more permanent employment.

XIV.Overall Perceived Impact on People with Disabilities and SSI Program Participation

While in California, we heard two conflicting views of what welfare reform would mean for people with disabilities. On the one hand, advocates stated that there is a widely accepted assumption that people with disabilities would be “earmarked” for slots in the 20 percent of the caseload exempted from the five-year lifetime limit. On the other hand, some state and county officials stated that one intent of CalWORKs, that is currently best illustrated by the Employment Readiness Demonstration, was to help people with disabilities find and sustain employment, and to avoid relegating them to the state’s time-limit exempt quota.

There is a consensus that these reforms will increase SSI applications, but varying views on the magnitude of this increase. However, state and county officials did not expect to see, however, increases in SSI applications of any truly substantial magnitude. One reason for this is that many counties have had tremendous success identifying people with disabilities and directing them towards SSI. Thus, even with SSI advocacy efforts targeted towards CalWORKs recipients, many of the officials with whom we spoke did not expect that the counties would uncover a very

large number of people who had not been previously identified. This expectation may vary substantially by county. The fact that Alameda County is developing an SSI advocacy component for its CalWORKs program suggests they anticipate identifying enough potential SSI recipients to justify the cost of the advocacy program. Although some people who were previously identified by SSI outreach efforts may apply for SSI again, there was not an expectation that this population would be exceptionally large. A second reason is that the state appears to be making a concerted effort, and at last has the resources, to help low-income people with disabilities find and retain employment. Finally, although the state appears committed to helping CalWORKs recipients with disabilities find jobs, the state appears willing to use much of its 20 percent exemption to ensure that people with disabilities do not lose access to cash assistance, food stamps, and Medi-Cal.

Interviewees also did not expect to see an increase in SSI applications resulting from CalWORKs, if such an increase were to happen at all, for quite some time. To date, neither of the two SSA District Offices we visited nor the Division of Disability and Adult Programs in the California Department of Health and Human Services have seen any evidence to suggest that welfare reform has resulted in an increase in SSI disability applications. In fact, SSI applications in California were slightly lower in FY1998 than in FY1997. Most state and county officials with whom we spoke estimated that, if CalWORKs does tend to increase SSI applications, such an increase is unlikely to begin until the first CalWORKs families approach their lifetime limits, towards the end of 2002.

J. Effect of SSA Reforms in California

The reforms prohibiting SSI and DI eligibility for drug addicts and alcoholics (DA&A) as well as SSI eligibility for certain non-citizen groups have had a significant effect on the State of California. Of California's approximately 44,000 DA&A recipients who were to have their benefits terminated on December 31, 1996, about one-third successfully appealed their terminations and were able to retain their eligibility for SSI and/or DI.³⁷ As a result, California counties have had to absorb many of the approximately 30,000 remaining persons into their GR programs. This shift has had a substantial budgetary impact on county governments as the counties are required by state law to pay cash benefits and provide medical assistance to all indigent populations not covered by other programs. Similarly, both the State and county governments were expecting to absorb the cost of nearly 190,000 non-citizens whose SSI eligibility was eliminated under the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA). Although the Balanced Budget Act of 1997 (BBA) restored SSI eligibility to most of these non-citizens, the threat of their termination produced significant political debate at both the state and county level as well as administrative turmoil within the State and county social services agencies, and at SSA District Offices. In addition, PRWORA resulted in the State developing the Cash Assistance Program for Immigrants (CAPI), a state-only, SSI look-alike program for non-citizens with disabilities. The changes in the definition of childhood disability for SSI have had a much smaller effect on the State. Initial

³⁷ For additional information on the DA&A reforms see: The Lewin Group (1998a). *Policy Evaluation of the Effect of Legislation Prohibiting the Payment of Disability Benefits to Individuals Whose disability is Based on Drug Addiction and Alcoholism: Interim Report*. Report prepared for the Social Security Administration, July 21, 1998.

estimates suggested that approximately 16,150 children were at risk of losing their SSI benefits.^{38, 39} Of the roughly 4,600 children who, as of October 1998, had been found ineligible for SSI, all but about 900 were eligible for CalWORKs upon the termination of their SSI benefits.⁴⁰

K. Welfare Evaluation Efforts in California

We have identified three on-going evaluation efforts that could be of particular interest to the Social Security Administration. While in California, we met with officials in the California Department of Social Services responsible for overseeing the first two evaluations – the statewide evaluation of CalWORKs and the Employment Readiness Demonstration Project (ERDP) evaluation – and with the co-directors of the team specifically evaluating the Los Angeles County CalWORKs program. Although none of these evaluations specifically examine transitions from CalWORKs to SSI, all three could serve as potential starting points for an SSA evaluation effort in California. The ERDP evaluation could be of particular interest to SSA, because it focuses specifically on welfare-to-work transitions of people with disabilities and other hard to serve populations.

In addition to the three evaluations discussed in detail below, *Chapter 2* contains information on several other recent or ongoing evaluations in California. These evaluations include:

- Two evaluations of welfare leavers, one in Los Angeles County being conducted by MDRC and a second in San Mateo, Santa Clara, and Santa Cruz Counties being conducted by the SPHERE Institute;
- The New Federalism Evaluation being conducted by the Urban Institute in 24 counties and 13 states;
- MDRC's Project on Devolution and Urban Change;
- MDRC's National Evaluation of Welfare-to-Work Strategies;
- MDRC's California Greater Avenues for Independence (GAIN) Program Evaluation;
- MDRC's Los Angeles GAIN Replication Study; and
- The Urban Institute's Impact of Welfare Reform on Immigrants Evaluation.

XV. CalWORKs Evaluation

The California Department of Social Services (CDSS) recently contracted with the RAND Corporation, Inc. to conduct a statewide evaluation of the CalWORKs program. This initial

³⁸ Source: RAND (1998). *Background and Study Design Report for Policy Evaluation of the Effect of the 1996 Welfare Reform Legislation on SSI Benefits for Disabled Children*. Report prepared for the Social Security Administration, April 1998.

³⁹ According to a tabulation conducted by the Social Security Administration, Office of Disability on November 9, 1998, a total of 14,792 children in California received redetermination notices.

⁴⁰ Source: California Department of Social Services.

evaluation is expected to last three years and focus on implementation issues. The CDSS expects to fund a second evaluation into the fourth and fifth years of CalWORKs that will focus more on issues related to impending time limits. Specifically, the initial CalWORKs evaluation consists of five components:

- ◆ a statewide impact and cost-benefit study;
- ◆ a county-level impact and cost-benefit study;
- ◆ an annual state-level process study;
- ◆ an annual county-level process study; and
- ◆ an annual implementation study.

The county-level components will focus on six counties selected by the state: Los Angeles, Alameda, Butte, Sacramento, Fresno, and San Diego.⁴¹ The state has made several state-owned and maintained databases available for the purpose of the evaluation, including the MEDS Longitudinal Database used for determining program eligibility and the California Welfare Administrative Data. RAND will also make use of field research, interviews, and survey data in conducting its evaluation. According to the original request for proposal, the first process and implementation reports are scheduled for submission in February 1999, with the first impact and cost-benefit reports scheduled for submission in October 2000. It is our understanding that the impact studies will entail quasi-experimental design components with non-equivalent control groups and with pre-post time periods. The size of the sample to be used in these studies was at the time of this writing unavailable.

XVI. Employment Readiness Demonstration Project (ERDP) Evaluation

The California Department of Social Services has contracted with a research team at California State University – Bakersfield to conduct a three-year evaluation to test the effectiveness of the Employment Readiness Demonstration Project model currently being implemented in eight counties (Fresno, Humboldt, Orange, Santa Cruz, Monterey, San Diego, Sonoma, and Ventura). The primary objectives of the ERDP evaluation are to:

- ◆ Determine whether the ERDP has been effective in increasing the number of participants who are employed and therefore more economically self-sufficient;
- ◆ Determine whether the benefits attributable to ERDP are substantial enough to warrant the costs incurred under the project; and
- ◆ Suggest improvements in providing services to this population for the purpose of fostering economic self-sufficiency.

The evaluation demonstration is expected to include roughly 1,500 participants in an experimental group and another 1,500 participants in a control group. The evaluation will include an outcomes and impact study; a cost benefit study; and a process study.

⁴¹ As of October 1997, the number of persons receiving TANF benefits in these six counties accounted for nearly 57 percent of California's total TANF population.

XVII. Los Angeles County CalWORKs Evaluation

The Urban Research Division, a research group within the Central Administrative Office of Los Angeles County, is currently evaluating the Los Angeles County CalWORKs program for the Los Angeles County Department of Public Social Services. Specifically, the LA CalWORKs evaluation is examining the success of welfare-to-work activities, the program's operational practices, and the impact of the program on participants, their families, and their communities. The evaluators and county are also examining the effect of health on outcomes; that is, to what degree are illnesses and disabilities barriers to increasing a family's economic self sufficiency. The evaluation does not utilize an experimental design. As will be discussed further in the next section, perhaps the most interesting aspect of this evaluation from SSA's perspective is that the evaluators are developing an extensive longitudinal database of AFDC/TANF recipients in Los Angeles County.

L. Data Sources Identified for Potential Use in Future Studies

We have identified three rich databases that could be of particular interest to if SSA were to pursue an evaluation of the effects of welfare reform on SSA program participation in California. From a research and evaluation perspective, California unfortunately does not maintain a statewide administrative data system containing information on all AFDC/TANF recipients in the state. Instead, each county maintains its own welfare administrative data system. Thus to get detailed information on welfare eligibility and benefit histories, it is necessary to access individual county data systems. While accessing welfare data systems for every county would be a practically impossible endeavor, we think the three databases we have identified present some interesting research possibilities. The three databases described in this section are:

- ◆ the Medi-Cal Eligibility Data System (MEDS) and the MEDS Longitudinal Database (LDB);
- ◆ the UC DATA Welfare Research Archive; and
- ◆ the Los Angeles County CalWORKs Longitudinal Database.

All parties with whom we spoke expressed interest in the matching of their data to SSA administrative data. The California Department of Social Services officials with whom we spoke could not pre-commit to any particular use of State or UC DATA databases. It appears that the primary legal issues of concern for the State are issues concerning data confidentiality (e.g., who would have access to the data) and acceptable presentation of study findings. The State officials with whom we spoke could only speak generally about possible legal issues. They appeared willing, however, to answer specific questions that SSA might have. One concern expressed by both State and Los Angeles County officials is that any research effort in which they would be willing to collaborate with SSA should be in the best interest of the State or county. For example, they would be unlikely to participate in a study that focused on the shifting of welfare costs from the state and local level to the federal level. They would, however, be likely to assist SSA in a study that focused on the well-being of persons with disabilities under welfare reform, including their employment and program participation outcomes.

XVIII. Medi-Cal Eligibility Data System (MEDS) and the MEDS Longitudinal Database (LDB)

The Medi-Cal Eligibility Data System (MEDS) is a state-level data system used and maintained by the California Department of Health Services to administer the Medi-Cal program. It includes data on all Medi-Cal recipients, including demographic characteristics and program participation codes denoting over 80 Medi-Cal eligibility categories (e.g., AFDC/TANF, foster care, SSI/SSP, In-Home Supportive Services, medically needy cases, etc.) Since 1987, the Department of Health Services has maintained person and case Longitudinal Database (LDB) files, each containing a ten percent sample from the MEDS of their respective universes.⁴² Each file contains monthly eligibility information. The person file contains well over one million persons and reports basic demographic information on each recipient as well as recipient Social Security Numbers. The LDB person file enables researchers to track individual eligibility status and program transitions, including movements from AFDC/TANF to SSI, on a monthly basis. Although the LDB person file is useful for tracking individuals, it is impossible to connect accurately individuals to other family members in the sample. For example, it is impossible to connect an SSI recipient to other members of his or her family that may be receiving AFDC/TANF benefits. SSA could potentially gain access to the MEDS or LDB files through two avenues: the Department of Health Services and the Department of Social Services Research Branch. SSA could also gain access to the LDB, but not the MEDS, through UC DATA, discussed below.

XIX. UC DATA Welfare Research Archive

The University of California Data Archive and Technical Assistance (UC DATA) program at the University of California – Berkeley, in collaboration with the California Department of Social Services Research Branch, has developed and continues to maintain a welfare research archive. The data archive was initially developed to help evaluate the California Work-Pays Demonstration Project and to document the dynamics of family poverty and welfare use in California. As illustrated in *Exhibit C.1*, the foundation of the data archive is the LDB person file, discussed above. UC DATA's version of the person file presently contains slightly more than 1 million observations.⁴³ The LDB is subsequently matched to the County Welfare Administrative Database (CWAD), a file containing monthly eligibility and payment data on a sample of AFDC/TANF cases from the administrative files of four counties: Alameda, Los Angeles, San Bernardino, and San Joaquin. Initially, the CWAD contained 15,000 cases, but within the past year, UC DATA expanded the sample to include 20,000 cases. Every 18 months, the UC DATA also matches the LDB-CWAD matched file to the Panel Survey Database. The Panel Survey Database contains answers to approximately 400 questions by approximately 2,000 AFDC/TANF recipients in the four counties per wave. The survey includes questions about household composition, education, disabilities, access to health care, use of social services, and labor market activities. UC DATA also has the ability to match quarterly earnings from the Employment Development Department (EDD) Base Wage File to its Welfare Research Archive;

⁴² The 10 percent person and 10 percent case samples are separate, non-overlapping samples.

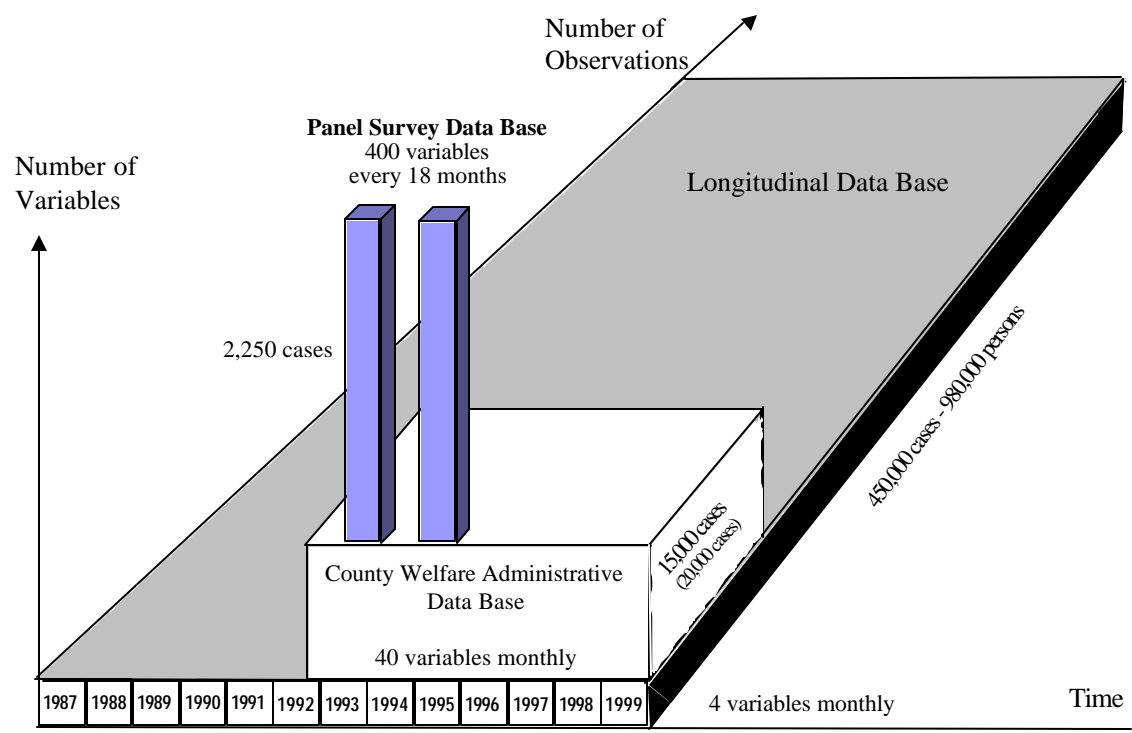
⁴³ The somewhat smaller figures in the diagram are out of date.

however, these data are somewhat more difficult to obtain than the data from the Welfare Research Archive.⁴⁴

⁴⁴ The EDD Base Wage File contains employer-reported quarterly taxable wage payments of California Unemployment Insurance and Disability Insurance covered employment.

Appendix Exhibit C.1:

California Welfare Research Archive



Source: UC DATA.

UC DATA has established public use data files containing anonymous identifiers for all three data files. To gain access to the non-public files, in which personal records are identified by Social Security Numbers, SSA would have to negotiate directly with the Department of Health Services and/or the Department of Social Services. Department of Social Services officials with whom we spoke appeared very willing to work with SSA to overcome legal issues surrounding the sharing of data, but would offer no guarantee of access.

XX. Los Angeles County CalWORKs Longitudinal Database

As part of its evaluation of Los Angeles County's CalWORKs program, the Urban Research Division is developing the first longitudinal database of all AFDC/TANF recipients in Los Angeles County for the Los Angeles County Department of Public Social Services (LADPSS). The database combines monthly data on eligibility, benefits, and use of support services obtained from the LADPSS as well as quarterly data on client earnings, occupation, and industry of employment from the EDD Base Wage File. Currently, the database only contains information on CalWORKs recipients from June 1998 forward; however, the directors of the Los Angeles CalWORKs evaluation stated that they are planning to use the MEDS database to construct program participation histories for CalWORKs recipients dating back to before June 1998. Both staff at the Urban Research Division and at LADPSS communicated to us that they would be willing to share the data in the Los Angeles CalWORKs Longitudinal Database with SSA as long as all the parties involved were able to come to terms on a confidentiality agreement. The

primary research advantage of this database over the UC DATA Welfare Research Archive in terms of researching the effects of welfare reform in Los Angeles County is that unlike the UC DATA, which only contains a sample of AFDC/TANF cases, the Los Angeles County CalWORKs Longitudinal Database contains the entire universe of CalWORKs participants in Los Angeles County. Another advantage is that the Los Angeles County Database includes GR recipient data. Because state law prohibits counties from releasing GR data, any analysis of GR data would have to be conducted on a contract basis by the Urban Research Division.

I. Connecticut

A. Introduction

We conducted site visits in two cities (Hartford and New Haven) in Connecticut to gather contextual evidence of the overall effect of welfare reform on SSA programs. Our findings are based on information that was gathered from several state agency officials, and, when available, information from state reports (including outside evaluations). We interviewed representative from the following state agencies:

- ◆ Connecticut Department of Social Services field offices in Hartford and New Haven;
- ◆ The Connecticut Department of Social Services Administrative Offices in Hartford;
- ◆ Social Security Administration field offices in Hartford and New Haven;
- ◆ The Social Security Administration Disability Determination Service in Hartford.

We selected Connecticut as a site visit state for three reasons. First, and most important, Connecticut implemented several state welfare reforms that have unique features. These changes include strict work requirements; time limited benefits of twenty-one months; generous income disregards; and transitional Medicaid coverage to persons who transition to work. Second, Connecticut was the only state that we visited in the northeast. Finally, two cities in Connecticut, New Haven and Manchester, participated in an evaluation that used an experimental design to evaluate the impact of the welfare reform changes; this evaluation may be useful for future SSA purposes.⁴⁵

In the remainder of this chapter, we summarize our findings from our site visit. In Section B, we provide a general summary of findings and address the hypotheses set forth earlier in this chapter. In Section C, we review the recent welfare reforms as implemented in Connecticut. We present the perceived effects of state policies on SSA disability programs in Section D and then discuss the effect of recent reforms in SSA policy on SSA caseloads in Section E. Finally, we present evaluation efforts and data resources that are of potential value to future evaluations of the effect of welfare reform on SSA disability programs in Sections F and G respectively.

B. Summary of Findings

We summarize our findings in three general categories. The first category includes findings on state policies that may affect persons with disabilities in general, and SSI caseloads in particular. The second category includes findings on the effects of changes in SSA policy on SSI caseloads in Connecticut. Our final category includes our findings regarding ongoing evaluations and available data sources.

⁴⁵ The evaluation, which is being conducted by Manpower Demonstration Research Corporation, compares a treatment group that operates under Connecticut's current program rules to a control group that includes individuals who receive benefits under the old AFDC rules.

1. Effects of State Reforms on Persons with Disabilities and SSA Programs

We found that Connecticut has diverted persons with disabilities who applied for, or participated in, the AFDC/TANF and GA programs to SSA disability programs since the early 1990s. For example, on the application form for state TANF benefits, one of the first questions asked is whether the applicant has a limitation that would limit the kind or amount of work they can do. Hence, a policy of diverting persons with disabilities from state programs existed for several years prior to the implementation of welfare reform changes in 1996.

While the recent welfare reforms did not explicitly change the process by which persons with disabilities were referred to SSA programs, the transformation to an employment-based program has increased the emphasis on identifying persons with disabilities. This change affected both program caseworkers, who faced new incentives to divert persons with disabilities to other programs, and the clients themselves, who faced penalties if they did not participate in employment activities because of an undisclosed, or unrecognized, disability. The transformation to employment-based welfare programs has, however, increased the number of employment assistance services available to persons with disabilities who are not diverted from state welfare rolls.

State officials informed us that in addition to the increased emphasis on employment for welfare recipients, fundamental changes in service delivery may also have an impact on applications to SSA disability programs. For example, several welfare-oriented programs, including vocational rehabilitation services and the state TANF office, are now co-located in many areas of the state. This centralization will make service receipt more convenient and may increase diversion insofar as it will facilitate the discovery of disabilities and other obstacles to employment.

Finally, state TANF caseworkers thought that the effects of welfare reform on transitions from other programs, such as Medicaid and Food Stamps, to SSI were likely small, but stated that it was too early to determine any effect.

2. Effect of SSA Reforms in Connecticut

The reviews and re-reviews of SSI child applicants and recipients had large effects on the processing of SSI claims. DDS administrators noted that these changes made the disability determination process for children more difficult, necessitating that staff spend more time per case than before the period of reforms. As a result, SSA field offices shifted focus from other areas of work, such as Continuing Disability Reviews, to processing claims. There was also some frustration by SSA staff that they were forced to review the same case several times. Connecticut did not track the outcomes of the reviewed child cases and could not provide information on the percentages that were allowed and denied.

The changes in SSA policies for DA&A and immigrants had much smaller effects on claim processing in Connecticut. SSA claims representatives in New Haven stated that the DA&A changes resulted in short-term disturbances in caseloads, but that the majority of these cases in Connecticut reapplied for benefits alleging other health conditions. The fluctuation in the policy treatment of non-citizens created no long-term effects among the non-citizen population, though

an increase in applications for citizenship was observed. SSA staff indicated that the small population of non-citizens was kept well informed by local advocacy groups—this effort helped to smooth the effect of the changes in legislation.

3. Welfare Evaluation Efforts and Data Sources

The Manpower Demonstration Research Corporation (MDRC) is currently conducting an evaluation that takes advantage of the experimental design incorporated in Connecticut's TANF program, Jobs First.⁴⁶ This evaluation focuses on outcomes for Jobs First participants who are not exempt from the program's work requirements. MDRC is using linked data sources from the Jobs First program, Food Stamps, and Unemployment Insurance. These data contain demographic and program participation information and also contain Social Security numbers that could be used to match the data to other data sources such as SSA administrative data. Staff from the Connecticut Department of Social Services indicated that the state is willing to make state administrative data available for additional research efforts that provide information on transitions into federal programs, such as SSI. The state official with whom we discussed data access indicated that there are no difficult barriers to overcome in obtaining state administrative data if a researcher could show that the research would be beneficial to the state.⁴⁷

C. Overview of Welfare Reform in Connecticut

In this section, we present a brief descriptive history of the recent changes to Connecticut's welfare programs. Connecticut began to transform its welfare system to one of short-term support with employment as the centerpiece of the cash assistance program in late 1994 when the "A Fair Chance" demonstration was approved and implemented. Connecticut's AFDC program was modified again in December of 1995 when the "Reach for Jobs First" program was approved for implementation at the start of the new year. Reach for Jobs First, which was implemented statewide in January of 1996, was designed to promote self-sufficiency through employment as well as provide support services and benefit assistance. Upon passage of PRWORA, Reach for Jobs First was transformed into Jobs First, a program that closely followed the program rules established under Reach for Jobs First. Below, we describe each of these programs in greater detail.

1. Pre-PRWORA Changes to AFDC

The "A Fair Chance" demonstration was approved in August of 1994 and marked the beginning of the transformation to work-based welfare programs. A Fair Chance required work activity after 24 months of participation, starting with part-time work and requiring an increasing number of required hours of employment as length of participation increased. The state provided subsidized employment opportunities to assist persons to re-enter the labor force. The program also introduced more liberal resource limits, removed time limits on earnings disregards, and extended the period of eligibility for transitional childcare and medical benefits to two years.

⁴⁶ Under this experimental design, persons in the treatment group are subject to current program rules and those in the control group are subject to AFDC program rules.

⁴⁷ The biggest obstacle noted was processing time.

As the state became increasingly focused on developing a welfare program that emphasized return to work as quickly as possible, it was apparent that changes were necessary. The proposed changes, under the name Reach For Jobs First were approved in December of 1995 and implemented on January 1, 1996. Shortly after this program was implemented, however, the passage of PRWORA led to an additional modification in program name while the program rules were left virtually unchanged. Because Reach for Jobs First rules were carried over when the Jobs First program was enacted, we only present the program rules for Jobs First below.

2. Welfare Reform After PRWORA: Jobs First

The Jobs First program, implemented in July 1997, is the current state TANF program. The focus of the program is on employment, but it does provide a safety net to certain families who cannot find jobs or lose eligibility at the end of their time limit. It emphasizes the role of welfare as a short-term support and includes short time limits, strict work requirements, and other features designed to promote employment. The main provisions are summarized below:

- ◆ Time Limits: Benefits under the Jobs First demonstration are time limited to 21 months, although 6-month extensions are available for families that have made good faith efforts to find employment. In addition, certain populations are entirely exempted from the program work requirements. These populations include: elderly or incapacitated adults, caretakers for persons with disabilities, and adults caring for children under 1 year of age who are not covered under the family-cap provision.
- ◆ Employability Plans: Jobs First participants are required to develop employability plans that are designed with the goal of returning to unsubsidized employment. Employment plans are designed to structure the process of returning to work. Plans involve defining a level job search effort, hours of employment, and, if necessary, any education and training necessary to meet these goals.
- ◆ Earnings Disregards: Jobs First also includes liberal earnings disregards— earnings up to the federal poverty level are completely disregarded in the calculation of benefits. Families may also accumulate a limited amount of savings, up to \$3,000, and own a car valued at less than \$9,500.
- ◆ Family Caps: Families that have additional children while participating in Jobs First receive only half of the increase in cash benefits that is normally granted for an additional member of the household.
- ◆ Employment Support Services: Jobs First participants may receive monthly child care and transportation allowances, and are eligible to receive Medicaid. Participants may also receive basic employment training.
- ◆ Transitional Child Care and Medicaid Benefits: Connecticut provides up to 24 months of transitional Medicaid benefits to families who leave welfare for work. Child care benefits are also available to families that move from welfare to work but continue to have income below 75 percent of the State's median income.
- ◆ Experimental Design: Jobs First includes an experimental design under which two areas, Manchester and New Haven, serve as experimental locations. These locations have both an experimental group that is subject to the rules established under Jobs First and a control group that is subject to the program rules of the AFDC program. This aspect of Jobs First presents interesting opportunities for subsequent SSA evaluations of the overall effect of welfare reform on SSA programs. In Section V, we discuss a study by the Manpower

Demonstration Research Corporation (MDRC) that focuses on the effect of welfare reform in these locations.

The target population for Jobs First includes all non-exempt welfare recipients. Exemptions are granted for any recipients who are:

- ◆ Incapacitated and unable to work;
- ◆ Caretakers of incapacitated household members;
- ◆ Individuals over the age of sixty;
- ◆ Pregnant or a mother who has a child under the age of one;
- ◆ Parents under the age of 18; or
- ◆ Deemed unemployable.⁴⁸

With few exceptions, most of these determinations are made directly by Job First program caseworkers.

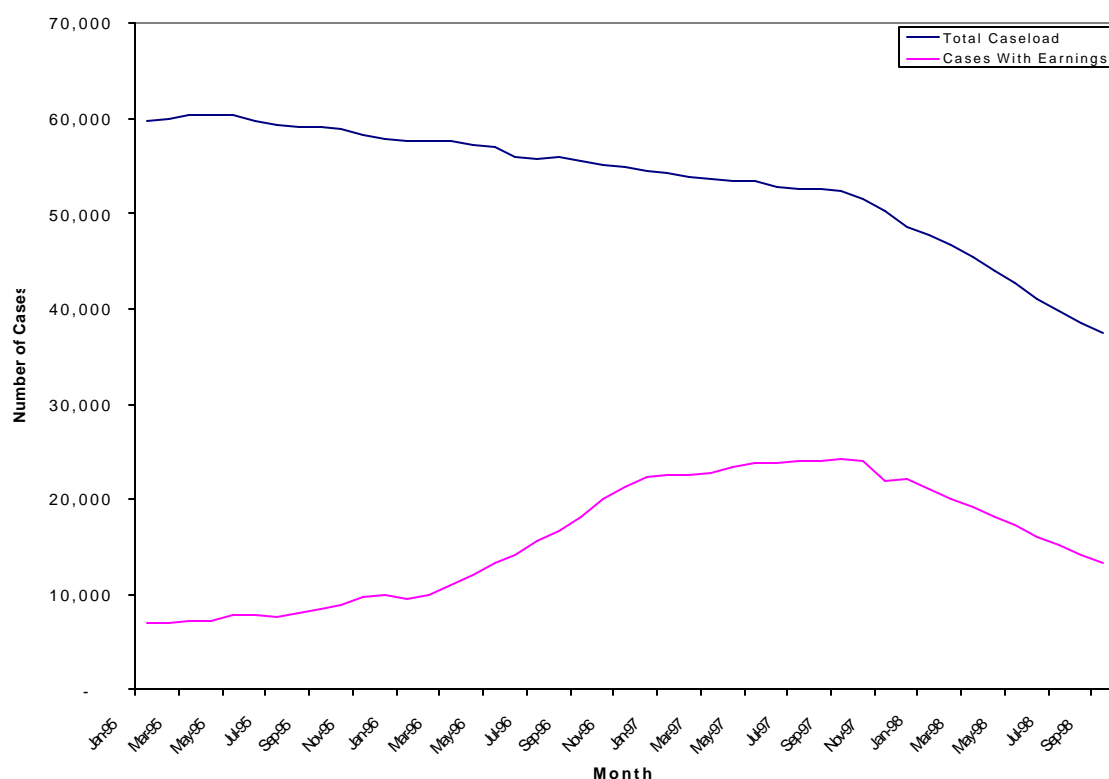
a) General Caseload Trends

Since January of 1996 there has been a general decline in state TANF caseloads from 57,710 to 38,588 in August of 1998. Additionally, the percentage with some labor earnings has increased from 16 percent to more than 36 percent over the same period. We present the total number of cases and number of cases with earned income in *Appendix Exhibit C.2*. Although the percentage of the caseload with labor earnings is greater than it was in the pre-reform period, this percentage has recently been decreasing from the high value of 46.5 percent in October of 1997. The decline in the percentage of cases with labor earnings may have occurred as those adults with fewer barriers to employment returned to work and left the Jobs First program. The remaining caseload would then be made up of more challenging cases such as families with persons with disabilities. We discuss the effect of welfare reform on these families in the subsequent section.

⁴⁸ The state determines that a recipient is unemployable if the recipient has not found a job by the 20th month of time limited assistance despite good faith efforts, has not completed the 6th grade, or has worked three months or less in the last five years.

Appendix Exhibit C.2

Total Cash Assistance Cases and Cases with Earned Income



Source: Connecticut Department of Social Services.

3. State Changes in the General Assistance Program

In April of 1997 Connecticut implemented the State-Administered General Assistance Program (SAGA), centralizing the administration and operation of formerly city-run GA programs in eleven towns. SAGA was designed to meet three main goals. First, the state sought to develop an environment that made it easy for program participants to receive services from a variety of programs in one location. In the future, SAGA offices will be co-located with Department of Social Services Offices and other related services to facilitate one stop shopping,. This shift to SAGA and centralization of services complements other efforts to establish one stop shopping environments that we observed in the state programs such as TANF. Second, the state wished to relieve the financial burden that cities faced as a result of serving the poor and administering city GA programs. Finally, the centralization of general assistance program records also facilitates detection of fraud and abuse.

Effect of State Reforms on Persons with Disabilities and SSA Programs

In this section, we review several state policy changes that may have an impact on SSA caseloads. While the focus of our site visits were on the effects of state welfare reform changes on SSA caseloads, we also identified some state policy changes outside the specific welfare

reforms that may affect transitions into SSI. In addition, we identified some past state policies that may affect the magnitude of the state welfare reform changes on SSI. Below, we summarize our findings.

4. *Diversion of TANF Recipients to SSI*

One policy that may have a significant impact on SSA caseloads is that of referring persons with disabilities who apply for TANF benefits to SSA. The Jobs First agencies have a standard policy to encourage applicants and enrollees with disabilities to apply for SSI or DI benefits when appropriate. One of the first questions asked on the Jobs First application is if the applicant has any limitations that limit the kind or amount of work that can be done. If the applicant answers affirmatively, then the TANF office refers the person to SSA disability programs. A TANF applicant who is referred to SSA must obtain a receipt from SSA showing that they applied for disability benefits to remain eligible for TANF. If this applicant meets all other program criteria of the Jobs First program, then he or she may receive TANF benefits while awaiting the decision from SSA. Jobs First caseworkers mentioned that welfare recipients who were initially denied SSI or DI benefits were encouraged to reapply or appeal their decision.

The effect of this diversion policy will likely be much larger in Jobs First than under AFDC because of the Job First work requirements. Under the old AFDC programs, Jobs First caseworkers mentioned that the focus was on training welfare recipients for jobs. While there was an interest in identifying persons with work limitations under this program, the sanctions for those who could not work because of a limitation were minimal. The enactment of Jobs First, however, fundamentally changed this focus because of the immediate work requirements and sanctions for noncompliance. As a result, Job First caseworkers have devoted more attention to potential limitations that may limit the client's ability to participate in Jobs First. Similarly, Jobs First participants are also more likely to identify limitations that may limit their ability to fulfill work requirements to avoid losing their benefits. Caseworkers mentioned that they had noticed a general increase in the number of persons who were initially reporting limitations under Jobs First in comparison to under the old AFDC program.

The effects of the diversion policy may also be larger under Jobs First because of the relatively short (21 month) time limit on benefits. Jobs First caseworkers noted that many Jobs First participants were reporting disabilities as they approached or exceeded the program time limits. This included those who had not complied with the Jobs First work requirements because of undetected disability or other reasons.

We asked SSA field office staff and a DDS representative if they had noticed any large increases as a result of diverting individuals under the Jobs First program. SSA field office representatives stated that they had not noticed disproportionately large increases in SSI claims or awards since 1996. A DDS representative did state, however, that there was a large increase in SSA caseloads just before the waiver went into effect. The DDS representative suggested that this increase stemmed from an "anticipation effect" on the part of state agencies and clients. Similarly, TANF caseworkers also noted a general increase in the number of persons being diverted to the SSA disability program. Unfortunately, data were not available to estimate the effect of this policy.

5. Disability Determinations within the Jobs First Program

Although Connecticut does actively divert persons with disabilities from the TANF program to SSA disability programs, the state does provide services within the TANF system designed to assist persons with disabilities that wish to find employment. Connecticut plans to make no change in this policy, even as the state approaches the 20 percent limit on exemptions. Persons with disabilities are exempt from program work requirements if they meet the state's definition of disability. To assess disability, the state makes use of a three-step process. First, caseworkers may assess a client's temporary disability and allow an exemption from program work requirements until this disability is resolved. This determination is used only for disabilities that are of very short duration. Persons with more serious and longer-lasting disabilities are referred to the state's Medical Review Team (MRT).

The MRT uses disability criteria that are designed to determine whether persons with disabilities are suited to employment and whether, and for what period, they should be exempt from work requirements. These criteria are based on incapacity and determine whether persons with disabilities must participate in short- and long-term work requirements and whether time limit extensions are appropriate. The actions taken are a function of both the severity and expected duration of the participant's disabilities. The Medical Review Team also evaluates the severity of disability for SSI children and may find that their caretakers are exempt from Jobs First work requirements because of the need to care for these children. Typically the MRT evaluates disabilities expected to last for more than 3 months and less than one year.

Finally, persons with long-term or permanent disabilities are evaluated by a state contractor that may extend time limits, waive work requirements, or both. The determination of permanent disability is based on the SSA definition of disability, though we learned that state interpretation and implementation of the disability criteria may differ from that of SSA.

6. Treatment of SSI Income in the Jobs First Program

Although the treatment of SSI income did not undergo a change during welfare reform, the Jobs First Program eligibility criterion does include several factors that affect SSI recipients who participate in Jobs First. First, income from SSI is not counted in the determination of benefits for Jobs First Participants who participate in SSI. Additionally, SSI recipients who are part of a Jobs First family unit that receives SSI benefits are not included in calculation of TANF benefits. For example, an SSI recipient with a child may qualify for TANF benefits on behalf of her child only. The fact that participation in SSI does not eliminate the possibility of TANF benefit receipt may encourage some TANF participants to apply for SSI.

7. Effects of Welfare Reforms Related to Food Stamps and Medicaid

We also attempted to gather evidence that would inform our hypotheses of the potential effects of recent Food Stamp and Medicaid program reforms. Briefly, we hypothesized that the increased accessibility of Medicaid benefits might reduce participation in SSA programs insofar as Medicaid, one of the major benefits of SSI participation, could be obtained elsewhere. We also recognized the potential for an opposite effect if persons meeting the disability requirements came to believe that they might also be eligible for SSA benefits. Similarly, persons who were not deemed able-bodied by the Food Stamps program and were thus exempted from work

requirements might also believe that they could qualify for SSA benefits. The consensus among DSS and SSA staff was, however, that there have either been no such effects or that it is too early to discern any changes that may have occurred.

In addition to the services directly related to determining the employability of persons with disabilities and facilitating their return to the workforce, Jobs First provides an extension of health benefits for those who move from welfare to work. These Medicaid extensions of up to two years provide an incentive for persons with disabilities that do not meet the SSA definition of disability to return to work insofar as they ensure that loss of health benefits will not occur in the near term.

8. Other State Policy Changes

Although Jobs First is an employment-based program that provides strong incentives for participants to return to work, the program gives considerable attention to the needs of persons with disabilities. Jobs First participants with disabilities may take part in education and training services that are specifically designed to address barriers to employment specific to persons with disabilities and may also develop employment plans that suit their needs.

Connecticut is also currently moving toward a welfare system in which all key services are co-located. We found that sites often contain offices for several agencies designed to meet the needs of the target population. For example, in many instances vocational rehabilitation services and state TANF offices are co-located. The recently implemented SAGA program is also an example of the emphasis on consolidating services so that program participants may receive services, and begin their return to work, as quickly and conveniently as possible. This convenience may encourage some persons with disabilities to remain in state programs rather than apply for SSI benefits. In other cases, the centralization of services will make service receipt more convenient and may increase diversion insofar as it will facilitate the discovery of disabilities and other obstacles to employment.

D. Effect of SSA Reforms in Connecticut

1. Child Policy Changes

Field office staff also observed changes following each of the waves of changes in policy that affected the SSI disability definition for children. They reported large caseload changes in the period immediately following the *Zebley* decision and, to a lesser extent, the more recent decisions. Both field office and DDS staff observed changes in the conditions upon which children were qualifying. They found that the proportion of children that qualified under learning disabilities and related disabilities has increased since the time of the welfare reforms, as was also true of asthma.

The DDS has not noticed a reduction in child SSI awards despite the more difficult policy. This neutral effect may be a function of tighter SSA policy combined with an increased number of claimants who applied as a result of welfare reform and other outreach efforts. DDS staff have been affected by the recent changes for children. In particular, the DDS noted that they were more thorough when evaluating claims since the review of child cases was mandated in 1996.

This policy change is reported to have not only affected child cases, but the review of adult cases as well.

2. Drug Addicts and Alcoholics Changes

Reforms in Social Security Administration policies that occurred at the federal level have also affected persons with disabilities in Connecticut as well as SSA caseloads in the state. The prohibition of SSI and DI benefits to persons whose disability is caused by drug abuse and alcoholism (DA&A) caused perceptible changes at the local level. Field office staff noticed a drop in SSI enrollment following the passage of the new legislation but surprisingly reported that the majority of those initially affected did re-apply and receive SSI under different classifications. The local field office in New Haven reported that they had over 250 DA&A cases of which approximately 90 to 95 percent came in to reapply for benefits either when they were initially notified or after benefits were ceased.

3. Immigrant Changes

Finally, although there were numerous changes to the legislation that defines the eligibility of non-citizens, claims officers stated that the non-citizen populations were kept well informed by advocacy agencies. SSA staff did notice an increase in the number of people who visited the field office to provide proof of citizenship during the period when the legislation affecting this group was in flux.

E Welfare Evaluation Efforts in Connecticut

The Manpower Demonstration Research Corporation (MDRC) is evaluating the Jobs First program under contract with the Connecticut Department of Social Services. MRDC is evaluating the impact of Jobs First on populations that are not exempt from work requirements and outcomes for children, and is also performing a quantitative measurement of benefits and costs to welfare recipients, taxpayers, and government budgets.

MDRC's impact evaluation takes advantage of the experimental design that was implemented in Manchester and New Haven that includes a sample of 6,090 welfare applicants and recipients that were randomly assigned to experimental and control groups. Under this design, persons in experimental groups receive Jobs First program services while those in control groups are subject to AFDC program rules. Outcomes to be assessed by this evaluation include job attainment, readiness, and retention; earnings; participation in other programs; standard of living; family stability; and other characteristics. The evaluation of child outcomes focuses on availability of childcare, educational attainment, health and safety, and social and emotional development. These evaluations are data intensive and highlight the potential for future evaluations.

F. Data Sources Identified for Potential Use in Future Studies

We identified several data resources in Connecticut that are relevant to future evaluations of the effects of welfare reform on SSA disability programs. First, MDRC is conducting an evaluation of employment and other outcomes of a sample of more than 6,000 Jobs First participants who are not exempt from program work requirements. This evaluation makes use of the experimental

program design in Manchester and New Haven and is based on several state administrative databases including the AFDC/Jobs First, Food Stamps, and Unemployment Insurance programs as well survey data collected by MDRC.

State officials informed us that similar administrative data capable of providing information on transitions into federal programs such as SSI could be made available for future evaluations, including SSA sponsored evaluations, if they could be shown to be beneficial to the state. Administrators commented that the largest obstacle in obtaining such data would be that it might take a considerable amount of time for state officials to produce an extract. State administrative databases include the Social Security Numbers of program participants and could be linked to SSA administrative files using this information. SSA could also complement any analysis of administrative data with survey analyses designed to capture additional information not available in the state's administrative datasets. Both the availability of detailed and linkable state administrative data and the experimental design implemented in Manchester and New Haven make Connecticut particularly well suited to evaluation.

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Florida

A. Introduction

Prior to the passage of federal welfare reform in 1996, Florida was one of the leading states in the nation of welfare experimentation. In 1994, it obtained federal welfare reform waivers to implement its Family Transition Program in two counties. The Family Transition Program was one of the first program in the country to combine a ‘Work First’ approach with time limited benefits. Florida has adopted much of the Family Transition Program’s philosophy in its TANF program, Work and Gain Economic Self-Sufficiency (WAGES). Primarily for this reason, The Lewin Group selected Florida as a site visit state for this SSA project.

The Lewin Group conducted site visits in two cities (Tallahassee and Miami) in Florida between September 30 and October 2, 1998, to gather contextual evidence of the overall effect of welfare reform on SSA programs and to identify resources for use in possible future evaluations. Our findings are based on information that was gathered from several federal, state, and local organizations and, when available, information from state reports (including outside evaluations). We interviewed representatives from the following state agencies, SSA offices, and organizations:

- ◆ Florida Department of Children and Families Central Office (Tallahassee);
- ◆ Florida Department of Children and Families District 11 Office (Miami);
- ◆ Florida Department of Education (Tallahassee);
- ◆ Florida Disability Determination Service (Tallahassee);
- ◆ Region 23 WAGES Coalition (Miami);
- ◆ SSA District Offices (Tallahassee and Miami); and
- ◆ Florida Developmental Disabilities Council (Tallahassee).

In addition, we met with members of the advocacy community and a member of the State WAGES Board of Directors.

This chapter presents our findings from our visit to Florida. Section B summarizes our findings. Section C provides background on welfare reform in Florida. Section D provides more detail and discussion on the aspects of welfare reform in Florida that are particularly relevant to persons with disabilities. In Sections E and F, we discuss ongoing evaluations and data resources in Florida that are likely to be of particular interest to SSA if it pursues evaluation activities concerning welfare reform in Florida.

B. Summary of Findings

We summarize our findings in three general categories. The first category includes findings on the effects of welfare reform on SSA programs. The second category includes findings on the effects of SSA reforms, as perceived by Florida interviewees. Our final category includes findings that could be useful for SSA in future evaluations. This category includes findings regarding on-going state welfare reform evaluations, as well as information on available administrative data sources.

1. Effects of State Reforms on Persons with Disabilities and SSA Programs

Few people we interviewed perceive the WAGES program and other state and federal welfare reform initiatives as currently pushing persons with disabilities to apply for SSI disability benefits. Several interviewees suggested that SSI disability applications could noticeably increase as many WAGES participants use up their 24-month time limits and hardship exemptions over the next year to year and a half. Other interviewees stated, however, that they expected any future flow of persons with disabilities from WAGES to SSI to be relatively small, because the historically large difference between SSI payments and AFDC payments in Florida would have encouraged most to apply for SSI long before welfare reform began.

Both advocates and state officials acknowledged that welfare reform in Florida has created a significant disconnect in the larger welfare safety net for people with obvious mental or physical impairments that affect their ability to work, but which are not sufficiently severe to meet SSA disability standards. These individuals are faced with the choice of either aggressively pursuing SSI eligibility or moving quickly to acquire the skills and support services necessary to obtain and retain employment. Very few local WAGES coalitions appear to have the infrastructure in place to serve these participants, many of whom may exhaust their hardship exemptions as early as October 1999. Moreover, advocates expressed concern regarding the long-term availability of support services and case management for incapacitated persons who exit the program into the labor force.

In contrast, the people with whom we spoke expected that State Medicaid expansions and the implementation of Florida's Children's Health Insurance Program, Florida KidCare, would have little, if any, effect on participation in SSI. Similarly, interviewees did not find validity in the hypothesis that the Food Stamp reforms requiring able-bodied adults without dependents to work would result in the identification of previously unidentified persons with disabilities and, hence, produce an increase in SSI applications.

2. Effect of SSA Reforms in Florida

The reforms changing the definition of childhood disability for SSI and prohibiting SSI eligibility for certain non-citizen groups had a significant effect in the State of Florida. At the time PRWORA was passed, 15,646 children were estimated to be at risk of losing their SSI benefits.^{49,50} Through May 30, 1998, about 6,500 of these children had retained their eligibility for SSI.⁵¹ While the entire State was affected by the change in the definition of childhood disability, Dade County experienced a disproportionately large impact as a result of the reforms affecting non-citizens. In addition to the SSA offices already existing in Dade County, SSA established three temporary offices to review the cases of the more than 60,000 Dade County residents who were aged and disabled non-citizens receiving SSI and at risk of losing their SSI

⁴⁹ Source: RAND (1998). *Background and Study Design Report for Policy Evaluation of the Effect of the 1996 Welfare Reform Legislation on SSI Benefits for Disabled Children*. Report prepared for the Social Security Administration, April 1998.

⁵⁰ According to tabulations conducted by the Social Security Administration, Office of Disability on November 9, 1998, a total of 15,423 children in Florida received redetermination notices.

⁵¹ Source: Social Security Administration, Office of Disability.

eligibility. Together, these reforms created what one official called an “administrative fiasco,” the effects of which are still being experienced by SSA District Offices and the State DDS.

2. Welfare Evaluation Efforts and Data Resources

The ongoing evaluations of welfare reform, particularly those being conducted by Florida State University, have the potential to yield findings that could inform a future evaluation by SSA in Florida. It appears unlikely, however, that SSA could use these evaluations as stepping off points or as opportunities to negotiate add-on evaluation work, because of the limited scope of the on-going evaluations. In addition to the on-going WAGES evaluations, the Manpower Demonstration Research Corporation (MDRC) is also currently conducting an evaluation of Florida’s Pre-TANF welfare reform demonstration, the Family Transition Program (FTP). Although MDRC surveyed FTP recipients on the receipt of disability-based income and whether FTP recipients had applied for benefits from disability programs, MDRC has yet to include any analysis of these data in its interim evaluation reports. It is not clear to us how valuable findings based on these data would be to SSA, because most families containing a person with a disability were exempted from participation in FTP.

In contrast, the matching of SSA administrative data to AFDC/TANF administrative data available from the Department of Children and Families appears to be an excellent opportunity to study the frequency of transitions from AFDC/TANF to SSI and the factors influencing these transitions. The state administrative databases appear to be very rich in detail and offer monthly eligibility histories dating back to January 1993. Moreover, the staff of the Florida Department of Children and Families appears very willing to share the Department’s database files with SSA, subject to the resolution of all legal and confidentiality issues. They did assert, however, that SSA would have to reach confidentiality agreements with the U.S. Department of Health and Human Services, the Health Care Financing Administration, and the U.S. Department of Agriculture before the State would grant SSA or its contractor access to State data. State officials are unwilling to share data without such agreements, because the state administrative databases contain data on participants in programs that these agencies oversee.

C. Overview of Welfare Reform in Florida

The State of Florida has traditionally had the reputation of being particularly conservative when it comes to public social services spending. For example, Florida’s average monthly AFDC payment in 1995 of \$277 for a family of three ranked the State 36th in the nation, well below the national average payment of \$381. Florida was also one of the states to make significant steps towards the implementation of a work-based welfare system. In 1994, Florida received federal waivers for its Family Transition Program, one of the first welfare-to-work initiatives in the nation to employ a “Work First” approach combined with a time limit on the receipt of cash assistance. The Family Transition Program was to serve as the model for Florida’s TANF program, Work and Gain Economic Self-Sufficiency (WAGES). In this section, we further describe the Florida’s Family Transition Program as well as describe Florida’s WAGES program. We also describe recent reforms to the state’s Medicaid program and the implementation of the state’s Child Health Insurance Program. Finally, we describe perceptions of the specific effects welfare reform has had on non-citizens living in Florida.

1. Florida's Family Transition Program (FTP)

Established by the Family Transition Act of 1993 and approved by the U.S. Department of Health and Human Services in January 1994, the Family Transition Program (FTP) combines time limited cash assistance with an array of enhanced services, parental responsibility requirements, and financial incentives designed to help recipients find and hold jobs. The State initially implemented FTP in Escambia and Alachua Counties in May 1994. In September 1995, the State received HHS approval to expand the program to six additional counties. The passage of the Work and Gain Economic Self-Sufficiency Act in the spring of 1996, however, resulted in the State abandoning FTP in Alachua county and the six add-on counties. FTP continues to operate in Escambia County as a demonstration project and will continue to operate through December 1999.

The FTP demonstration in Escambia County randomly assigned non-exempt AFDC applicants and recipients into either the study group that received FTP's enhanced support services or a control group that received the standard supports available through Florida's AFDC program and the Family Independence Program (JOBS). Between 1994 and 1996, 5,430 welfare applicants and recipients were assigned to one of the two groups. Florida exempted several types of AFDC recipients from random assignment into either the study or control group, including disabled or incapacitated adults and full-time caretakers of disabled dependent persons. The exempted population initially received the standard supports available through Florida's AFDC program and the Family Independence Program, but is now subject to the requirements of Florida's WAGES program.

FTP anticipated many of the welfare reform provisions included in PRWORA and also served a model for WAGES, Florida's statewide welfare reform that was implemented in October 1996. For these reasons, many view FTP as offering important lessons regarding the implementation and potential effects of WAGES as well as other welfare reform initiatives in other states. Because disabled or incapacitated adults and full-time caretakers of disabled dependent persons are exempt from FTP, however, the FTP experience is unlikely to provide much help in predicting what effects WAGES might have on persons with disabilities and on SSI applications and program participation.

2. Work and Gain Economic Self-Sufficiency (WAGES)

Passed unanimously in the spring of 1996 by the Florida Legislature, the Work and Gain Economic Self-Sufficiency Act substantially overhauled Florida's welfare system and established the Work and Gain Economic Self-Sufficiency (WAGES) program. The WAGES Act contains many of the reforms eventually included in PRWORA. In some respects, however, the WAGES Act more closely resembles the Congressional Republicans' original welfare reform proposal, H.R. 4, which was the primary federal welfare reform proposal being considered by Congress at the time the WAGES Act was drafted. The Secretary of the Department of Health and Human Services certified Florida's WAGES program on October 8, 1996.

Florida's WAGES program is particularly innovative in that it established a framework in which government and private interests share responsibilities for administering the program and delivering services to WAGES clients. The WAGES Act established a State WAGES Board of

Directors within the Executive Office of the Governor to oversee the operation of the WAGES program and to coordinate the activities of participating state agencies and private contractors. In turn, the State Board appointed a program director to serve as executive director of the board and to supervise the administration of the WAGES program. Twenty-four local WAGES Coalitions, chartered by the State Board, are responsible for planning and coordinating the delivery of services at the local level through contracts with independent service providers and government agencies. Both the State Board and the local Coalition boards contain representatives from government agencies, private industry, non-profit organizations, and the advocacy community.

At the heart of the WAGES program is a two-tier time limit structure. Under this structure, most new applicants and current recipients are subject to both a lifetime limit of 48 months of cash assistance and a maximum of 24 months of cash assistance in a 60-month period. The two-tiered system makes special provisions for persons who received AFDC or temporary cash assistance for any 36 months of the preceding 60 months and custodial parents under the age of 24 who have not completed high school or have little or no work experience. Such persons are still subject to the 48-month lifetime limit but are eligible for temporary cash assistance up to a maximum of 36 months in any consecutive 72-month period. Families may gain temporary exemption from time limits as a result of hardships such as illness and other barriers to employment. The WAGES Act, however, limits the cumulative total of all hardship exemptions to 12 months and mandates that hardship exemptions “shall, in combination with other periods of temporary assistance as an adult, total no more than 48 months of temporary assistance.” Although the WAGES program places a 12-month cap on hardship exemptions, the program completely exempts child-only cases, families in which a parent is receiving SSI, and full-time caretakers of disabled/incapacitated children from all time limits. Furthermore, families that have reached the end of their time-limited benefits can “earn back” a month of benefits for each month they worked, up to a limit of 12 months.

The WAGES program also requires that adults engage in work activities immediately upon becoming eligible for temporary cash assistance unless they are explicitly exempted from such activities. Those adults exempted from participating in work activities include:

- ◆ adults receiving SSI Aged, SSI disability, and/or SSDI;
- ◆ full-time caretakers of disabled/incapacitated children;
- ◆ minor children under age 16;
- ◆ adults not included in the calculation of benefits for child-only cases; and
- ◆ custodial parents with a child under the age of three months.

To help non-exempt WAGES clients find and retain employment, the WAGES program offers a wide array of job search, education, vocational training, transportation, health, and child care services. Upon leaving WAGES, former clients are eligible for 12 months of transitional Medicaid as well as up to 24 months of transitional support services, education, and training. The WAGES program also provides additional work incentives by disregarding a family’s first \$200 of monthly earnings and 50 cents of each additional dollar earned beyond \$200.

Finally, the WAGES program offers up-front diversion assistance to applicants who do not need ongoing financial assistance, but as a result of unexpected circumstances or an emergency situation, do require some immediate assistance to seek or retain employment. Diversion assistance may not exceed the amount the family would be eligible to receive for a two-month period under the WAGES program and may be subject to repayment. Furthermore, a family that receives diversion assistance must sign an agreement prohibiting the family from applying for temporary cash assistance for three months, unless the family demonstrates the presence of an emergency situation.

Since the implementation of WAGES, Florida's AFDC/TANF caseload has fallen substantially. Between October 1996 and September 1998, the number of families receiving cash assistance through WAGES fell from nearly 197,000 to just over 96,000, a decline of 51 percent. This decline is part of a larger decline in which the number of families receiving AFDC/TANF benefits has fallen by nearly 64 percent since January 1993.

3. *Medicaid Expansions and the Florida KidCare Program*

While many states have expanded their Medicaid programs in recent years to populations beyond those mandated by federal law, the Florida Medicaid has only expanded its program to include the federally mandated populations, namely: pregnant women and infants with family incomes up to 185 percent of poverty; children between the ages of one and six with family incomes up to 133 percent of poverty; and children ages seven to eighteen with family incomes up to 100 percent of poverty. In March 1998, however, HCFA approved Florida's Child Health Insurance Program, Florida KidCare, to cover all children under the age of 19 with family incomes up to 185 percent of poverty. In September 1998, HCFA approved an amendment to Florida KidCare expanding coverage to children in families with incomes up to 200 percent of poverty. The Florida KidCare program actually consists of two separate programs: Medikids and Healthy Kids. Medikids is a Medicaid "look-alike" program administered by the Florida Agency for Health Care Administration and serving children under the age of five. In contrast, Healthy Kids is administered by the Florida Healthy Kids Corporation and serves children ages five to eighteen. While Medikids basically offers the same benefit package as Medicaid, Healthy Kids provides a slightly less rich package of benefits, including a \$1 million lifetime limit on benefit payments. Both programs do, however, require families to pay modest monthly premiums and co-pays for most services. In addition to Medikids and Healthy Kids, Florida's Department of Health recently established the Children's Medical Services Network, a program designed to encompass the care of Medikids, Healthy Kids, and Medicaid child recipients with special health needs. It is our understanding the receipt of the enhanced benefit package is currently capped at 9,500 recipients.

4. *Non-Citizens and Welfare Reform*

Under the WAGES program, qualified legal aliens, living in the United States prior to August 22, 1996, continue to be eligible for cash assistance. In determining the eligibility of non-citizens, the State deems the income and resources of the legal non-citizen's nonqualified family members, sponsor and sponsor's spouse to the applicant. Children born in the United States to illegal aliens are also eligible for assistance so long as the family meets all WAGES eligibility requirements. Florida has not, however, elected to use state funds to provide TANF and

Medicaid assistance to immigrants entering the country after August 22, 1996 and banned by federal law from receiving TANF or Medicaid assistance for five years.

To offset the ban on food stamps to most non-citizens established by PRWORA, Florida established the Legal Immigrant Temporary Bridge program, a state funded program to purchase federal food stamps and provide them to non-citizens no longer eligible for food stamps. This program restored de facto food stamp eligibility to elderly and disabled immigrants as well as qualified immigrant children who resided in the state prior to February 1997 and were receiving federal food stamps on August 22, 1996. In light of the fact, that as of November 1, 1998, these immigrant groups are again eligible for federal food stamps, it is unclear what the state will chose to do with the Bridge program, which is funded through the end of FY1999.

D. Effect of State Reforms on Persons with Disabilities and SSA Programs

In this section, we expand on our discussion of the previous section and focus specifically on the potential effects of welfare reform on low-income families with disabled family members. We first compare the disability determination process used in the WAGES program with the process previously used by the State in its AFDC and JOBS programs. We follow this with descriptions of the treatment of SSI benefits under the WAGES program, SSI diversion and advocacy efforts, and the support services available to WAGES participants with disabilities. Next, we discuss the perceived effects of Medicaid and Food Stamp reforms. We then present the interviewees' perceptions of the impact of State reforms on the employment of persons with disabilities. We conclude this section with a summary of the overall impact of State reforms on persons with disabilities and SSA programs.

1. Disability Determinations within the WAGES Program

Florida's AFDC and JOBS programs did not have any statutory guidelines for establishing whether an AFDC applicant or recipient had a disability. In practice, however, the state generally considered a person as being disabled if they met the medical eligibility criteria for SSI and SSDI. Such persons, if they were in fact receiving SSI, were excluded from the AFDC assistance unit.⁵² Furthermore, adult SSI recipients whose children were receiving AFDC were exempt from many AFDC and JOBS program requirements, including participation in JOBS work and training activities. Similarly, most AFDC parents who had at least one child in their family receiving SSI were exempt from participation in JOBS activities.

AFDC parents could also gain exemptions from JOBS activities by demonstrating that they had a physical or mental incapacity that prevented them from working. Similarly, an AFDC parent could obtain exemption from JOBS by demonstrating that at least one of their children had a physical or mental incapacity that required the parent to spend a significant amount of time caring for the child and, thus, precluded them from participating in work activities. For purposes of JOBS, the state considered a person as being incapacitated if they had a physical or mental impairment that limited their ability to work but that failed to meet the medical eligibility criteria for SSI and SSDI. In most instances, a letter from a licensed physician to the AFDC caseworker was sufficient evidence for establishing that a person was incapacitated. Based on our

⁵² In most instances, a family receiving SSDI benefits would have too much unearned income to qualify for AFDC.

discussions with Department of Children and Families officials, it is our understanding that very few individuals with a physical or mental impairment or whose children had a physical or mental impairment participated in the state's JOBS program.

Unlike AFDC and JOBS, WAGES requires that all adults who are not disabled (i.e., does not meet the medical eligibility criteria for SSI and SSDI) or not needed to provide full-time child care to a disabled or incapacitated child should work or, at least, be working towards securing long-term employment. As a result, unlike the JOBS program, families in which a parent has been identified as having an incapacity are subject to all of the rules of the WAGES program, including the lifetime benefit limit of 48 months. In many cases, families with an incapacitated parent may be eligible for a hardship exemption, increasing the number of months in which a family may receive cash assistance from a maximum of 24 months in a 60-month period to a maximum of 36 months in a 60-month period. Under state law, the cumulative total of hardship exemptions may not exceed 12 months. Furthermore, each month in which a family receives hardship exemption counts against the family's 48-month lifetime limit for cash assistance.

Although the WAGES program provides much fewer exemptions for families with disabled family members than AFDC and JOBS, it does exempt a few types of families from WAGES work requirements and/or the lifetime limit on receipt of cash assistance. First, adult SSI recipients whose children receive cash assistance are exempt from the WAGES work requirements as well as the lifetime limit. Similarly, WAGES families in which a family member receives SSI disability benefits or in which a child is incapacitated are exempt from both the WAGES work requirements and the lifetime limit if it is necessary for the parent to serve as a full-time caretaker of the disabled person or incapacitated child. In the case of a family in which a child is incapacitated, the exemption continues so long as the child remains incapacitated.

2. Treatment of SSI Benefits under the WAGES Program

Florida passed its welfare reform in April 1996, four months before the passage of PRWORA. As a result, one aspect of the WAGES program bears a stronger resemblance to Congress's original welfare reform proposal, H.R. 4, than to the final reforms contained in PRWORA. That area is the treatment of SSI benefits in determining eligibility for temporary cash assistance under the WAGES program. Specifically, the WAGES Act mandates, as did H.R. 4, that SSI recipients be included in the family unit and that SSI benefits be counted in determining a family's eligibility for cash assistance. In place of the SSI benefit exclusion, the WAGES Act calls for the development and implementation of a special needs allowances for families receiving or applying for temporary cash assistance that included a person receiving SSI.

For a variety of logistical and funding reasons, however, the Florida Department of Children and Families has not implemented this provision of the WAGES program. Initially, the Department of Children and Families delayed implementation while it was developing the special needs allowance. Currently, the provision is in "logistical delay mode" as the Department of Children and Families has shifted resources away from the implementation of the SSI benefit and special needs allowance provisions to the resolution of other programmatic issues. As a result, the Department of Children and Families continues to follow the old AFDC policy of excluding SSI recipients from the assistance unit and disregarding any SSI income in determining eligibility and the assistance amount.

At present, it is not clear when the Department of Children and Families will implement the SSI benefit and special needs allowance provisions. There is some concern within the Department and among some legislators of the political backlash that might result if the Department was to implement the provisions. This fear is compounded by the commonly held view that the special needs allowance in its proposed form will not offset the inclusion of SSI benefits in the eligibility determination. Initial estimates suggested that the inclusion of SSI benefits in the eligibility calculation would have reduced Florida's WAGES caseload by over 20,000 families. Currently, it is not clear how many WAGES families would lose their WAGES eligibility if the Department decided to implement the provisions.

3. *Diversion of WAGES Recipients to SSI*

Historically, Florida has not conducted a systematic effort to identify individuals applying for or receiving AFDC who might be eligible for SSI disability benefits, refer such individuals to SSA, and/or assist such individuals in the SSI application process. Department of Children and Families officials with whom we spoke did acknowledge, however, that it was not uncommon for AFDC eligibility workers to refer individuals to SSA if it was readily apparent that the individual was disabled and likely to qualify for SSI.

Currently, there is no existing or planned statewide, systematic effort to divert WAGES applicants to SSI and/or provide advocacy services for such individuals during the SSI application process. Local WAGES coalitions are, however, in the process of developing and implementing instruments for screening recipients of cash assistance for a variety of barriers to employment, including physical and mental impairments. It is possible that these screening instruments could be adapted to identify applicants who are likely to be eligible for SSI. Furthermore, in our discussion with several advocates in Tallahassee, we learned that the local WAGES coalition has contracted with a local legal services organization to assist WAGES participants with severe physical and mental impairments in the SSI application process. The Region 23 WAGES coalition (Dade and Monroe Counties) did not have nor is planning a similar advocacy operation. We are unaware of any other Local WAGES coalition operating or planning SSI advocacy programs. Nevertheless, we suspect that, because Local WAGES coalitions are ultimately responsible for providing services to WAGES participants and accountable for meeting participation targets, any future efforts to divert WAGES participants to SSI will come from the local coalitions.

4. *Support Services for Persons with Disabilities*

Several of the people with whom we spoke in Florida described WAGES, as it currently exists, as a welfare-to-work program designed for people without disabilities with minimal attention paid to special need populations. More specifically, they describe the work first philosophy of the WAGES program as resulting in a *de facto* de-emphasizing of the services needed by many persons with disabilities to obtain and retain employment, including: education, specialized training, and vocational rehabilitation. Until recently, for example, there was very little flexibility for persons with disabilities in the Job Club, Job Search, and other job activities for persons with disabilities. Advocates reported that the work first focus of the WAGES program created problems for some persons with disabilities who were also participating in vocational rehabilitation (VR) programs. The WAGES requirements conflicted with VR plan requirements in such a way that individuals were not able to perform both. Thus, if they chose to follow their

VR plan, they were sanctioned for not complying with WAGES requirements; however, if they followed the WAGES requirements, they were unable to follow what was probably the best path towards sustained employment in the future. Advocates with whom we spoke also reported that most One-Stop Centers are currently not set up to deal with persons with disabilities and that One-Stop workers have limited, if any, training to screen applicants for disabilities and to assess the types of specialized services they require. Finally, advocates noted that many areas lacked appropriate transportation to help persons with disabilities get to jobs or training activities and that, in general, there was very little child care available for children with disabilities.

Advocates, and to a lesser extent State officials, suggested that the initial shortcomings of the WAGES program in delivering appropriate services to persons with disabilities are the result of the short time period that the State and the Local WAGES Coalitions had to get the WAGES program up and running. With the first participants hitting their time limit on October 1, 1998, the State and Local WAGES Coalitions had only two years to get the necessary services in place for the “not hard-to-serve” WAGES participants and to help them find employment. Some advocates argued that the State took the basic approach of serving the “not hard-to-serve” first and granting hardship extensions to incapacitated. Once the program was up and running, the advocates hoped that the State would devote more attention to helping incapacitated participants get the services they need to obtain and retain jobs.

Over the last several months, the WAGES program, State Board and Local WAGES Coalitions have taken steps to improve support services available to persons with disabilities. For example, using plans approved by the WAGES program, State Board, Local WAGES Coalitions are now conducting up-front assessments of new participants to determine whether they have one or more of a variety of barriers to employment (i.e., a physical or mental impairment, a substance abuse problem, illiteracy, domestic abuse victim). Based on these assessments, clients having significant barriers to employment can bypass the initial job search activities and immediately begin receiving intensive services. This up-front assessment process eliminates many of the conflicting requirements faced by WAGES participants who are also involved in vocational rehabilitation. The State Board is also working with Local Coalitions to develop training programs for One-Stop workers to help them identify persons with disabilities and improve their case management skills. In general, Local WAGES Coalitions appear to be moving towards assuring that people with physical and mental impairments get the intensive services they need from the first day they enter the WAGES program. Nevertheless, one DCF official stated that although the resources exist to provide such services as mental health and vocational rehabilitation to people with incapacities these resources are yet to be allocated appropriately.

5. *Effects of Welfare Reforms Related to Food Stamps and Medicaid*

The people with whom we spoke expected that State Medicaid expansions and the implementation of Florida’s Children’s Health Insurance Program, Florida KidCare, would have little, if any, effect on participation in SSI. Similarly, interviewees did not find validity in the hypothesis that the Food Stamp reforms requiring able-bodied adults without dependents to work would result in the identification of previously unidentified persons with disabilities and, hence, produce an increase in SSI applications.

6. Employment of Persons with Disabilities

We were unable to obtain a reliable count of the number of people with physical and or mental impairments participating in the WAGES program. Furthermore, people we interviewed were able to provide only limited anecdotal evidence about the outcomes, employment or otherwise, for such participants. Some advocates expressed concern that the influx of WAGES and former WAGES participants into the labor force might force persons with disabilities out of supported employment positions and other low-wage jobs. A WAGES administrator argued, however, that because there are financial incentives for employers to employ WAGES participants and to employ persons with disabilities that significant job competition between persons with disabilities and WAGES participants is unlikely to develop. Finally, one advocate noted that Florida's economy presents a difficult situation for many persons with disabilities who seek employment in that much of the available employment opportunities exist in the tourism, agriculture, and retail industries. Jobs in these industries are generally low-wage, do not offer any medical benefits, and are highly sensitive to the business cycle. Consequently, together these three characteristics make it particularly difficult to retain jobs and move along a career path in these industries.

In an effort to overcome the unfavorable job market facing many persons with disabilities, the Florida Developmental Disabilities Council, in cooperation with the Seminole Community College and the Palm Beach Habilitation Center, has initiated a program to support long-term welfare recipients with learning and other disabilities find and retain jobs. This program, which has received funding through a U.S. Department of Labor Competitive Welfare-to-Work Grant, will also work closely with local WAGES Coalitions, one-stop service centers, the Workforce Development Board, the Florida Department of Children and Families, and the Florida Department of Labor. The program will provide up-front assessments of clients, employer-employee matching services, job coaching, and long-term support. Clients will be eligible for additional on-the job-training, assistance in obtaining vocational training, and family and employer intervention services for up to three years after placement.

7. Overall Perceived Impact on Persons with Disabilities and SSI Program Participation

In general, people we interviewed did not perceive the WAGES program and other state and federal welfare reform initiatives as currently pushing persons with disabilities to apply for SSI disability benefits. The only anecdotal evidence of increased SSI disability applications was reported by staff at the SSA District Office in Tallahassee. Claims representatives at the Tallahassee DO stated that over the past year they had witnessed an increased number of SSI child applications with many parents citing the cessation of the family's AFDC benefits and their child's poor performance in school as the reasons for filing. Officials at both the state DDS and SSA South Miami District Office, however, had not seen any evidence of increased SSI disability applications since the implementation of welfare reform. DDS officials noted that although SSI disability claims increased substantially between 1992 and 1996, claims have plateaued since then, growing by less than 1 percent per year. While DDS officials could not corroborate the experience of the Tallahassee DO, they acknowledged the possibility that the state might have experienced a decline in the number of people applying for SSI disability benefits in the absence of welfare reform.

While few perceived that welfare reform is directly or indirectly pushing persons with disabilities to apply for SSI disability benefits, there was a general consensus that there is the potential for such a push in the future. Several interviewees suggested that SSI disability applications could noticeably increase as many WAGES participants use up their 24-month time limits and hardship exemptions over the next year to year and a half. All interviewees agreed that SSI disability applications would increase significantly if the economy were to enter a recession. Department of Children and Families officials and some SSA officials stated, however, that they expected any future influx of persons with disabilities from WAGES to SSI to be relatively small. This expectation is based on the belief that the historically large difference between SSI payments and AFDC payments in Florida would have encouraged most persons with disabilities to apply for SSI long before welfare reform began.⁵³ One possible exception to this argument may be those people whose condition has worsened since they last applied for SSI. Overall, while interviewees generally acknowledged the possibility of an increase in SSI applications by WAGES participants and former WAGES participants in the future, most interviewees did not expect to see a massive influx of SSI applications as a result of welfare reform.

While interviewees expressed little concern regarding the effect of welfare reform on SSI applications, interviewees frequently expressed serious concerns regarding the uncertain futures of persons with disabilities whose impairment is not severe or marginally severe enough for them to qualify for SSI; that is, the incapacitated population. Interviewees identified a significant disconnect between the SSI and WAGES program for this population. Members of the incapacitated population are faced with the choice of either aggressively pursuing SSI eligibility or moving quickly to acquire the skills and support services to obtain and retain employment. Unfortunately, very few local WAGES coalitions appear to have the infrastructure in place to serve these participants, many of whom may exhaust their hardship exemptions as early as October 1999. Moreover, the long-term availability of support services and case management for incapacitated persons who exit the program into the labor force is very limited. For example, continued Medicaid eligibility is only guaranteed for twelve months after leaving WAGES. State officials acknowledged the existence of this disconnect and reported that there have been some very preliminary discussions of developing a separate long-term welfare-to-work program for WAGES participants who are incapacitated.

E. Effect of SSA Reforms in Florida

The reforms changing the definition of childhood disability for SSI and prohibiting SSI eligibility for certain non-citizen groups had a significant effect in the State of Florida. At the time PRWORA was passed, 15,646 children were estimated to be at risk of losing their SSI benefits.^{54, 55} Through May 30, 1998, about 6,500 of these children had retained their eligibility

⁵³ In 1996, the maximum monthly SSI payment for an individual living in Florida was the federal maximum of \$470, while the maximum monthly AFDC payment for a family of three in Florida was \$303.

⁵⁴ Source: RAND (1998). *Background and Study Design Report for Policy Evaluation of the Effect of the 1996 Welfare Reform Legislation on SSI Benefits for Disabled Children*. Report prepared for the Social Security Administration, April 1998.

⁵⁵ According to tabulations conducted by the Social Security Administration, Office of Disability on November 9, 1998, a total of 15,423 children in Florida received redetermination notices.

for SSI.⁵⁶ While the entire State was affected by the change in the definition of childhood disability, Dade County experienced a disproportionately large impact as a result of the reforms affecting non-citizens. In addition to the SSA offices already existing in Dade County, SSA established three temporary offices to review the cases of the more than 60,000 Dade County residents who were aged and disabled non-citizens receiving SSI and at risk of losing their SSI eligibility. Together, these reforms created what one official called an “administrative fiasco,” the effects of which are still being experienced by SSA District Offices and the State DDS.

F. Welfare Evaluation Efforts in Florida

Prior to the start of welfare reform, Florida was among the leaders in welfare-to-work experimentation and evaluation with its Family Transition Program (FTP) demonstration project. In this section, we present a brief description of the ongoing FTP evaluation being conducted by the Manpower Demonstration Research Corporation (MDRC) and then summarize three limited evaluations of the WAGES program being conducted by Florida State University.

In addition to the two evaluations discussed below, *Chapter 2* contains information on several other recent or ongoing evaluations in Florida. These evaluations include:

- A five-year evaluation of welfare leavers; those who apply for cash welfare but are never enrolled because of non-financial eligibility requirements or diversion payments; and those who appear eligible but are not enrolled in the state program;
- The New Federalism Evaluation being conducted by the Urban Institute in 24 counties and 13 states; and
- MDRC’s Project on Devolution and Urban Change.

1. Family Transition Program (FTP)

The Florida Transition Program (FTP) combines a time limit of 24 or 36 months with an array of enhanced services, parental responsibility requirement, and financial incentives designed to help recipients find and hold jobs. The State initiated FTP in two counties (Escambia, which includes Pensacola, and Alachua) in May 1994; however, the Alachua pilot program was later discontinued. MDRC’s evaluation of FTP only covers the Escambia County pilot program. Although MDRC surveyed FTP recipients on the receipt of disability based income and whether they applied for benefits from disability programs, MDRC has yet to include any analysis of these data in its interim evaluation reports. It is not clear to us how valuable findings based on these data would be to SSA, especially since most families containing a person with a disability were exempted from participation in FTP.

2. WAGES Evaluations

The State WAGES Board of Directors has contracted with Florida State University to conduct three limited evaluations of the WAGES program. These evaluations are:

- ◆ a longitudinal study of the impact of the WAGES program on participants;

⁵⁶ Source: Social Security Administration, Office of Disability.

- ◆ a study examining the process by which sanctions are applied and communicated to WAGES participants; and
- ◆ a study examining the provision of child care to WAGES recipients.

While the last study is likely to be of little interest to SSA, the first two studies could yield some potentially interesting and valuable information in terms of the impact of welfare reform and persons with disabilities. The longitudinal study, for example, will survey 5,000 former WAGES recipients (1,000 from a statewide pool and four 1,000 person samples from four separate areas of the state). The study will assess these individuals in a variety of areas, including employment, financial well being and health. This study could potentially yield first-cut information on the number of former WAGES recipients applying for and receiving SSI disability benefits. Similarly, the sanction study will interview 1,000 WAGES participants who have been sanctioned. The study will seek to determine why these participants were sanctioned and why the participants did not act to avoid sanctions. This study could potentially provide an estimate of the number of people being sanctioned because an illness or disability prevents them from meeting specific program requirements. The limited scope of these evaluations, however, make it unlikely, however, that SSA could use these evaluations as stepping off points or as opportunities to negotiate add-on evaluation work.

G. Data Sources Identified for Potential Use in Future Studies

During our site visit, we identified two significant data resources that SSA could potentially use in future evaluations of the effects of welfare reform on SSA programs. These two resources are:

- ◆ WAGES administrative data available from the Department of Children and Families; and
- ◆ Data from the Florida Education and Training Performance Information Program (FETPIP).

In this section, we describe each of the data resources and present any potential logistical and legal obstacles to the use of the data by SSA.

1. Department of Children and Families Administrative Data

Over the last few years, the Department of Children and Families has gone to great lengths to develop new data systems to facilitate the administration, monitoring, and evaluation of the WAGES program. Much of this effort has centered on the development and implementation of five comprehensive PC-based databases on WAGES participants: an individual history file; an AFDC history file; a monthly person file; a monthly family file; and, a monthly earnings and work-activity file. Below we provide descriptions of each of these files:

- ◆ Individual History File: This file is a longitudinal file that contains all persons who ever participated in the WAGES program and reports whether a person participated in the WAGES program in a given month, beginning with October 1996. The file also reports the month in which a person first participated in the WAGES program, the number of months the person has participated, and his or her current county of residence. The file is updated monthly simply by adding a new month field to the end of the record and recalculating the number of months in which a person has participated in the WAGES program. A unique

personal identifier identifies each record. This personal identifier can be readily matched to other DCF files to obtain a person's Social Security Number.

- ◆ AFDC History File: This longitudinal file contains a record for every AFDC/WAGES assistance unit to receive cash assistance under either AFDC or WAGES since January 1993. The file contains a flag for every month since January 1993 denoting whether the assistance unit received cash assistance in that month. The file also reports the month in which the assistance unit first participated in either the AFDC or WAGES program, the number of months the unit has participated, the number of remaining months of eligibility for each unit, the month in which the assistance unit left either AFDC or WAGES, and the unit's current county of residence. Each record is identified by an assistance unit code. This assistance unit code can be readily matched to other DCF files to obtain the Social Security Numbers of all members of the assistance unit.
- ◆ Monthly Person File: Each month DCF creates a file containing information on all adults and children participating in the WAGES program in that month. These files report individual level demographic data, monthly family income and parent earnings, WAGES sanction information, and employment and work activity/training information. The files also report whether the person is disabled and whether the person received any Title II or Title XVI income in a given month. The file reports each participant's Social Security Number as well as the unique DCF person and assistance group identifiers to facilitate matching to the two history files described above.
- ◆ Monthly Family File: Each month DCF creates a family-level file containing information on all families (i.e., assistance units) participating in the WAGES program in that month. This file is primarily an eligibility and payment file and reports the size of the assistance unit, the type of assistance unit, sanctioning and hardship exemptions, Medicaid receipt, and benefit information. The file also reports the address and county of the assistance unit. Each record is identified by an assistance unit code. This assistance unit code can be readily matched to other DCF files to obtain the Social Security Numbers of all members of the assistance unit.
- ◆ Monthly Earnings and Work Activity File: Each month DCF creates a file containing information on all adults required to participate in WAGES work activities. This file contains month specific information on sanctioning, type of work performed, participation in vocational and educational programs, earnings, and benefits. The file reports each participant's Social Security Number as well as the unique DCF person and assistance group identifiers to facilitate matching to the other files described above. Much of the data contained in this file appears in either the monthly person file or the monthly family file.

During our visit in Tallahassee, DCF officials allowed us to view electronic versions of these files on a laptop computer. The files appear to be very user friendly, of very high quality, and capable of being readily converted to other formats for analytical purposes. Confidentiality issues aside, DCF officials communicated to us that they would be willing to provide the PC-based data files discussed above to SSA or an SSA contractor.

The five data files discussed above are actually derived from two mainframe data systems: the Florida Online Recipient Integrated Data Access System (FLORIDA) and the WAGES Information System. The FLORIDA System contains information on eligibility for a variety of programs administered by DCF, including TANF and food stamps. Because the DCF determines Medicaid eligibility for all non-SSI Medicaid applicants, the FLORIDA System also contains

Medicaid eligibility information on non-SSI Medicaid eligibles. The WAGES Information System contains program participant data on benefits, childcare, support service receipt, employment, and earnings. DCF officials said that while it is technically feasible to make customized retrievals from these mainframe systems, such efforts are very resource intensive. They stated that if SSA wanted to obtain data directly from the mainframe systems, SSA would have to hire a third-party contractor and/or reimburse DCF for the cost to create such extracts.

In general, Florida's Welfare Reform Director expressed willingness to share the department's administrative data with SSA for research purposes. He stated, however, that because the data files contain information on participants in three federally funded programs -- TANF, Food Stamps, and Medicaid -- the primary barrier to obtaining access to state administrative data would be the development of confidentiality agreements between SSA and the federal agencies that oversee these programs (i.e., U.S. Department of Health and Human Services, the U.S. Department of Agriculture, and the Health Care Financing Administration). Once such confidentiality issues were resolved at the federal level, Florida's Welfare Reform Director did not foresee any legal issues at the state level that would prevent DCF from providing SSA with the Department's administrative data.

2. Florida Education and Training Performance Information Program (FETPIP)

The Florida Education and Training Performance Information Program (FETPIP) is an interagency data collection system maintained by the Department of Education that collects "outcomes" data on Florida high school graduates and dropouts as well as exiters from a variety of other state programs and institutions, including:

- ◆ vocational centers;
- ◆ adult education and GED programs;
- ◆ community colleges;
- ◆ public 4-year colleges and universities;
- ◆ Job Training Partnership Act programs;
- ◆ Project Independence(JOBS)/WAGES program; and
- ◆ state prisons.

The FETPIP annual cycle collects outcome data for student or program participants who exited a program or institution during the most recent fiscal year. For example, the 1998 cycle focuses on participants/students who graduated or left programs between July 1, 1996 and June 30, 1997. The outcome data collected for the 1998 cycle includes information on employment and earnings, military enlistment, incarceration, receipt of AFDC/WAGES and/or food stamps, and continuing education that occurred between October and December 1997. Each individual's record in the annual database contains an individual's Social Security Number as well as demographic and socio-economic data on the individual. Over the last few years, each annual data file has contained approximately 2.5 million records.

The FETPIP does not generally follow individuals beyond the first year after they exit a program because of the legal and political obstacles to tracking individuals over time. The FETPIP has, however, conducted a series of longitudinal studies of specific groups, including 1990-91, 1993-

94, and 1995-96 high school graduates and dropouts and several cohorts of JTPA and Project Independence (JOBS) exiters. Furthermore, the FETPIP does have the capability to conduct ad hoc research requests. It is likely that SSA could find out valuable pre-application information about many SSI applicants in this manner.

FETPIP staff have substantial experience meeting the data requests of other agencies and outside researchers. The primary obstacle to providing SSA with actual FETPIP data would be getting authorization from state agencies that currently provide data to FETPIP, including: the Department of Children and Families, the Department of Education, and the Department of Labor and Employment Security. While developing the legal arrangements to grant SSA direct access to FETPIP files could be difficult, the only “production” cost of such an arrangement would likely be the cost of sending the files to SSA. Another alternative with potentially fewer legal obstacles would be to provide FETPIP staff with a finder file containing the SSNs or encrypted SSNs of a cohort of SSI applicants and to then have FETPIP staff tabulate descriptive statistics for the cohort. Although perhaps legally less onerous, this alternative would require SSA to reimburse FETPIP for the cost of conducting the tabulations.

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Michigan

A. Introduction

We conducted site visits in two cities (Detroit and Lansing) in Michigan. Our findings are based on information that was gathered from several state agency officials, and, when available, information from state reports. We interviewed representatives from the following state agencies:

- ◆ Family Independence Agency offices in Lansing and Detroit;⁵⁷
- ◆ The Detroit Department of Health and Human Services;
- ◆ SSA administrative and field offices in Lansing and Detroit;
- ◆ The Disability Determination Service in Lansing;
- ◆ Adult Well-Being Services in Detroit; and
- ◆ The Michigan Jobs Commission – Rehabilitation Services Division (multiple counties).⁵⁸

Michigan has a long history of waiver demonstration projects dating back to 1992. Michigan has immediate work requirements and community service after two months, but its program time limits are the same as the federal requirements. In addition, Michigan had experience with shifting General Assistance (GA) recipients onto SSI, and a study have been conducted on this change using linked State GA and SSA disability program data. Finally, Michigan had a large population of child and DA&A cases that were affected by the recent reforms. Michigan implemented its TANF program, the Family Independence Program (FIP), in October 1996.

In the remainder of this chapter, we summarize our findings from our site visit. In Section B, we provide a general summary of findings. In Section C, we review the recent welfare reforms as implemented in Michigan. We present the effects of state policies on SSA disability programs in Section D and then discuss the effect of recent reforms in SSA policy on SSA caseloads in Section E. Finally, we present evaluation efforts and data resources that are of potential value to future evaluations of the effect of welfare reform on SSA disability programs in Sections F and G respectively.

B. Summary of Findings

We summarize our findings in three general categories. The first category includes findings on state policies that may effect persons with disabilities in general and SSA caseloads in particular. The second category includes findings on the effects of changes in SSA policy on SSA caseloads. Our final category includes findings from evaluations and available data sources. This category includes our findings on available administrative data sources, as well as information regarding on-going state welfare reform evaluations that could be useful for SSA in a future evaluation.

⁵⁷ The Family Independence Agency administers Michigan's state TANF program, as well as several other state programs (e.g., State Disability Assistance).

⁵⁸ We conducted a phone interview with Michigan Jobs Commission representatives from multiple counties.

1. **Effects of State Policies on Persons with Disabilities and SSA Programs**

Michigan has had an on-going policy to divert persons with disabilities from state programs to SSI since the early nineties.⁵⁹ While a formal policy of diverting FIP applicants with work limitations to SSI was not established until 1996, state administrators noted that Michigan has always been aggressive in diverting AFDC applicants (and recipients) to SSI through outreach projects. Michigan, for example, conducted outreach projects to divert GA recipients and children who were wards of state (e.g., foster children) to SSI. Under these diversion efforts, the state identified any person who was in a state program that had a severe disability, and required them to apply for SSI benefits. In the future, there are proposals to combine the disability determination processes of SSA and from the state welfare programs to avoid duplicate disability determinations. This proposal would further strengthen the link between FIP, as well as other state assistance programs, and SSI for persons with disabilities.

The recent state welfare reforms that tightened work requirements for FIP recipients, as well as made various changes in the Food Stamps and Medicaid program, will probably not have a large effect on transitions from state programs to SSI because of the past state diversion efforts. Both Family Independence Agency and SSA administrators did not expect to see a large increase in transitions from FIP to SSI because of past aggressive diversion policies from state programs to SSI. They also noted that the effect of reforms in the Food Stamps and Medicaid programs were unlikely to result in transitions to SSI.

While Michigan currently diverts individuals with disabilities from the FIP program, there are some special program provisions for persons with disabilities, including support services and work exemptions. For FIP recipients who apply and are rejected for SSI benefits, specialized training programs are structured based on information gathered during the SSA disability determination process. Work exemptions are also granted to FIP recipients with long-term disabilities (as well as caretakers of persons with disabilities), though, according to data from FIA, very few work exemptions have been made for long-term disability.

There are also a number of on-going changes within the state that could affect persons with disabilities in Michigan. One major change is the devolution of state agencies, particularly state mental institutions, to local agencies. One agency representative stated this devolution diminished the amount of social services available to low-income localities. A second change is the implementation of Project Zero. This project is designed to increase the number of FIP participants with labor earnings.⁶⁰ Although FIA noted that the effectiveness of Project Zero varied by locality, some of the services provided may have been useful in helping persons with disabilities remain in the labor force. Finally, a number of FIA agencies had a large turnover in staff because of generous early retirement benefits--some SSA administrators and a representative from the Adult Well-Being Services noted that this affected the implementation of FIP across localities.

⁵⁹ Staff from SSA and FIA field offices were aware that these policies were in place dating back at least until 1992 and believed that the policy may have been in effect in the eighties.

⁶⁰ The services provided included additional child care services and transportation for welfare recipients.

2. Effects of SSA Reforms in Michigan

One of the major effects of the changes in SSA policy for children, drug addicts and alcoholics (DA&A), and non-citizens was an increased administrative burden on SSA staff. Prior to the welfare reform changes in 1996, Michigan had the second largest population of DA&A recipients and eighth largest child SSI population. When the policy reforms occurred, SSA was forced to shift efforts away from activities such as Continuing Disability Reviews to meet the workload generated by the large program populations. SSA field offices also mentioned that it was difficult to implement the policy changes for children and DA&A cases because of the multiple revisions to the policies. Hence, it was likely that the implementation of the revised policy may have varied across SSA field offices.

There were a significant number of DA&A and SSI child cases that were affected by the reforms. According to records from the DDS, of the approximately 15,000 DA&A cases who received termination notices, only 38 percent re-qualified for SSI or DI under another disability. Of the approximately 14,000 child cases that were re-determined, 65 re-qualified for benefits. Of the approximately 2,700 child cases that were re-reviewed, only 14 percent were granted allowances or continuances to date, though a large portion of these re-reviews (30 percent) are currently awaiting a decision.

DDS and Field Office staff in Michigan did not observe a long-term effect resulting from reforms in the eligibility of non-citizens. They indicated that the lack of a detectable effect is, however, likely due to the fact that SSA did not serve large populations of non-citizens in Michigan.

3. Welfare Evaluation Efforts and Data Sources

We identified two completed evaluations that focused on outcomes of the To Strengthen Michigan Families program. The first evaluation, conducted by Abt Associates, measured the effect of the program on employment status, income security, and other program participation of TSMF recipients. The evaluators made use of linked administrative data from various state agencies, but did not consider transitions to SSA disability programs. Because Social Security numbers linked these data, it may be possible to use these data to link to SSA records in a future evaluation. The second evaluation was conducted by FIA and studied the outcomes of approximately 100 families whose TSMF cases were closed due to non-compliance with work requirements. Of this sample, approximately 7 percent went on to participate in SSI.

FIA staff informed us that Michigan is currently constructing a longitudinal database containing information on FIP recipients that could be used for research purposes. The database includes information on participation in various programs including FIP, Food Stamps, Medicaid, and other related programs and contains identifiers that could be used to link the database with SSA administrative data.

C. Overview of Welfare Reform in Michigan

Michigan's current state TANF program, Family Independence Program (FIP), is based on the state's previous welfare reform efforts that were initiated under federal waivers beginning in

1992. FIP is designed to encourage employment while continuing to provide support services for needy populations. In this section, we briefly discuss Michigan's pre- and post-PRWORA welfare programs.

1. Pre-PRWORA Reforms

Welfare reform initiatives in Michigan underwent an evolutionary process between 1992 and 1996 during which Michigan increasingly encouraged immediate return to employment, developed support services, and shifted the emphasis of many services to the community level. When the AFDC program was originally modified in October of 1992, its principle focus was on providing income and support services to families in need. This program included work incentives in the form of transitional child and medical coverage for families that were no longer eligible for cash assistance due to earnings. The AFDC program was modified again in April of 1995 to include sanctions for those who did not cooperate with employment training expectations—this was representative of a change in state philosophy to favor employment-based welfare programs. No substantial additional changes were made until after the passage of PRWORA and the creation of FIP as currently administered. A chronology of these changes is provided in *Appendix Exhibit C.3* at the end of this chapter.

This evolutionary process started following a major policy change that eliminated the state GA program and replaced it with State Family Assistance (SFA) and State Disability Assistance (SDA) in 1992. SFA provided assistance to all GA cases that had children. This program has since been eliminated as most individuals who would have qualified under SFA, now qualify for FIP. SDA provided assistance to former GA recipients who were categorized as persons with disabilities, aged, or residents of substance abuse treatment facilities.

Unlike, SFA, SDA is still operational and serves individuals whose disabilities are expected to last 90 days or more. All SDA recipients are required to apply for SSA disability benefits. SDA disability standards are similar to SSA standards but require a minimum duration of disability of three rather than twelve months. One advantage of the SDA disability process relative to that of SSA is that disability determinations are made in a very short period of time. SSA field office representatives stated that the SDA program was used in some cases as a pass-through to SSI, though this is not the principle function of the program.

2. Welfare Reform After PRWORA: Family Independence Program

In October 1996, Michigan replaced its AFDC program with FIP. The biggest change made under FIP was the change in program focus from gradual training and placement to immediate placement. Under FIP, the state enforces a 12-month time limit/sanction system for able-bodied adults who do not participate in work efforts. Key provisions include:

- ◆ **Time Limits:** Michigan implemented a 24-month time limit for able-bodied adults who have not participated in work activities. After 12-months of non-compliance, grant amounts and food stamp benefits are reduced by 25 percent. All benefits are terminated after an additional 12 months of non-compliance. Michigan also imposes a 60-month lifetime limit on FIP participation.
- ◆ **Work Requirements (Michigan's Work First Program):** Upon application to FIP, applicants must attend an orientation with FIA staff and the Michigan Works! Agency. A Family

Independence contract is developed in which activities and goals required to attain self-sufficiently are presented. Continued receipt of benefits is based, in part, upon progress toward the goals outlined in this contract and maintenance of “suitable employment.”⁶¹ Initial grants are limited to 60 days and only those who comply with their Family Independence Contract during this period are granted further assistance. All non-exempt individuals are required to participate in Michigan’s Work First program. Exempted persons include those with disabilities, caretakers of persons with disabilities, elderly persons, pregnant women, and minor parents are exempt from work requirements.

- ◆ Earnings Disregards: Michigan excludes the value of one vehicle of any value, and removes certain AFDC and Food Stamp Program restrictions on income and assets obtained from self-employment.
- ◆ Employment Services: The Michigan Works! Agency provides clients with various employment and training services that focus on self-sufficiency.
- ◆ Low Income Energy Assistance Program: This program provides temporary assistance with home heating expenses.
- ◆ State Emergency Relief Program: This program provides limited assistance to those facing emergencies that threaten their health or safety. Covered services include rent payments to avoid homelessness; house payments and property tax payments when foreclosure or tax sales are imminent; home repairs; appliances and furniture for victims of fires and other disasters; assistance with home heating, electric, and water bills; and burial assistance. FIA contracts with The Salvation Army to provide emergency shelter statewide.
- ◆ Transitional Benefits: Medicaid and child care benefits are available for one year after recipients become ineligible for cash benefits because of employment.

3. Project Zero

In addition to FIP, Michigan is also operating a demonstration entitled Project Zero in 12 sites. Project Zero is designed to explore the effectiveness of various techniques designed to reduce the overall FIA caseload without earned income to zero. The project focuses on identifying the characteristics of program participants that are barriers, both real and perceived, to employment. Once these barriers are identified, state and community agencies are tasked with developing and implementing programs and services designed to help recipients return to work. Many of the services currently provided in demonstration sites include expanded childcare and transportation services, mentoring, substance abuse treatment, and adult education services.

⁶¹ Suitable employment means employment that meets minimum employment standards. Employment is not suitable if 1) with the exception of sheltered workshops, the wage offered is less than the minimum wage; 2) The client is physically or mentally unfit to perform the job, as documented by medical evidence or by reliable information from other sources; 3) the working hours or nature of the employment interferes with the client’s religious observances, convictions, or beliefs; 4) the degree of risk to health and safety is unreasonable; or 5) the employment results in the family experiencing a net loss of income. (source: Family Independence Agency, “Family Services Administration Employment and Training Program” <http://www.state.mi.us/execoff/admincode/data/ac00400/s03101.txt>).

D. Effect of State Reforms on Persons with Disabilities and SSA Programs

1. Diversion from State Programs to SSI

FIA staff, SSA staff and representatives from other agencies noted that Michigan had a long history of diverting individuals from state programs to SSI. Since 1988, aggressive outreach efforts--coordinated between the Social Security Administration, state agencies and advocacy groups--have been an important factor in the increases in SSI/DI applications and awards. The outreach efforts were effective in targeting specific population groups and in identifying potentially eligible people. These outreach efforts were focused on children, low birth weight babies, and former GA recipients. Michigan conducted its outreach efforts through meetings with schools, probate court, nearly all of the state's social service agencies, and other referral groups. The state has also developed an in-depth description of disability and instructions on how to file. For a more detailed description of specific past outreach efforts in Michigan, see Lewin (1995a).⁶²

DDS staff and SSA field office claims representatives stated that the effects of several years of diversion policies had significant impacts on increasing the number of SSI applicants and recipients. The two largest efforts noted were efforts following the elimination of GA in 1992 and the Childhood Disability Initiative. SSA claims representatives stated that there were large increases in the number of adult SSI recipients, particularly those classified as DA&A, who were former GA recipients. This finding was consistent with previous findings by Bound, et al. (1995)⁶³ and Lewin (1995a and 1995b).⁶⁴ Similarly, SSA staff noted that the Childhood Disability Initiative increased the number of initial child applications, as well as appeals. While this initiative is still active, it has become a substantially lower priority according to an FIA administrator because of the tightening the SSI child definition of disability.

Despite several aggressive outreach initiatives to divert AFDC participants to SSI, Michigan did not have a formal policy requiring AFDC recipients to apply for SSI until the creation of FIP in 1996. Under the new policy, persons applying for assistance and claiming medical problems are sent to SSA for medical determinations. They are deferred from participation in Work First until SSA makes an initial disability determination. These individuals must, however, obtain a receipt from SSA showing that they applied for disability benefits. FIP participants who claim a medical condition but fail to apply for SSI are subject to program sanctions. FIA administrators stated that the biggest effect of this policy was in identifying persons with less severe or hidden disabilities.

⁶² Lewin-VHI, Inc. (1995a). "Case Studies of State-Level Factors Contributing to DI and SSI Disability Application and Award Growth." (HHS Contract No. 100-0012). Washington, D.C., The Office of the Assistant Secretary for Planning and Evaluation and The Social Security Administration.

⁶³ Bound, S., Kossoudji, S., and Ricard-Moes, G. (1995). "The Ending of General Assistance and SSI Disability Growth in Michigan: A Case Study," presented at the SSA/ASPE Conference on the SSA Disability Program, July 20.

⁶⁴ Lewin-VHI, Inc. (1995b). "Longer Term Factors Affecting Disability Program Applications and Awards." (HHS Contract No. 100-0012). Washington, DC: The Office of the Assistant Secretary for Planning and Evaluation and The Social Security Administration.

Another FIA administered program that has a strong interaction with SSA programs is the SDA program. As described above in Section C.1, SDA recipients have to apply for SSA disability benefits. If an SDA recipient became eligible for SSI and was owed back payments because of an early date of reported disability onset, they had to pay the state back the amount of their SDA benefits for the time period they were eligible for SSI benefits. SSA field office representatives stated that there were some administrative problems in returning these back payments to the state that created time delays in delivering SSA benefits to the client. These delays were largely the result of trying match dates of disability onset in SSA records with program participation information from the FIA agency.

2. Other Connections Between the Family Independence Agency and SSA

There were some attempts to increase the interaction between SSA and FIA offices by creating linked computer systems to increase the processing time for applications. The SSA field office in Lansing had in-office access to FIA data systems. This office uses a linked computer system to gather information on persons who were participants in an FIA administered program (e.g., FIP income). This eliminates much of the need for repeated contact with FIA offices that slowed down the application process. The linked systems are not used in other SSA field offices

Another factor that could increase the connection between SSA and FIA offices is that DDS offices are under FIA administration. The DDS was moved from the Department of Education to FIA in 1994 primarily for budget reasons. While this move had no impact on the processing of SSA claims according to SSA field office representatives, there are current proposals being considered to have the FIA disability determinations performed by the DDS. One of the primary advantages of having the DDS make FIA disability determinations is that it eliminates the number of double disability determinations that are often made in the cases of SDA recipients. An FIA administrator stated that the primary downside of this proposal is that the SSA disability determination process is much longer than the FIA disability process. Hence, disability decisions for FIP and SDA would be slower than in the past, which could affect the operations of these programs. Both FIA and SSA officials did not believe that such a process would have a large effect on the number of applications processed for SSA programs.

3. Special Services for Persons with Disabilities in the Family Independence Program

While many persons with disabilities are diverted to SSI, there are some special provisions for persons with disabilities in the FIP program that include support services and exemptions from work requirements. The support services include medical services, counseling, and information and referral services.⁶⁵ The work exemptions include both partial and full exemptions from work. A person could become partially or completely exempt from working if they can show their FIP program specialist using documented medical evidence or reliable information from other sources that they are physically or mentally unfit to perform their job. This exemption can be used for persons with short- or long-term disabilities. For FIP recipients who apply and are rejected for SSI, the information gathered in the disability determination process is used to

⁶⁵Other support services include child care, moving services, special clothing purchases, transportation allowances, automotive repairs and special purchases.

develop an employment plan. Based on statistics from the FIA offices, only six percent of exemptions were for persons with long-term disabilities. In contrast, however, approximately 35 percent of the work exemptions were for temporary disability. The FIA administrator noted that the small number of deferrals for persons with long-term disabilities in part reflects the fact that many persons with disabilities in FIP were diverted to SSI.

4. Treatment of SSI Income in FIP

The amount of income that a family receives from SSI is excluded in the calculation of SSI benefits for Jobs First participants. In cases where a family member does receive SSI income, the person who receives the income is excluded from the calculation of the TANF benefits.

5. Effects of Welfare Reforms Change

The state policy change that was identified as having the largest potential impact on SSA caseload was the tightening of work requirements for FIP participants. Representatives at the Jobs Commission indicated that the emphasis on work is a strong incentive for persons to identify a disability. They noted that many disabilities do not become apparent to the client or casework until the person has begun work efforts. Further, the Work First employees noted that they had strong incentives to help persons transition out of FIP, including helping people transition to SSA disability programs if they could not find work. FIA administrators believed that the tougher work requirements could possibly increase the number of FIP recipients who report a disability, but believed that the majority of FIP participants who would eventually qualify for SSI had already been diverted. To support this point, the administrator pointed to the very small percentage of persons with long-term disabilities who were deferred from program work requirements.

The effects of the other changes that occurred in state programs in 1996, including changes concerning other FIP program components, Food Stamps, Medicaid and child support payments, were believed to be small. Of these factors mentioned, FIA representatives believed that the largest effect could be from time limits. Because of the relatively long time limits in Michigan, however, the effect of this factor would not be known for several years.

In general, all of the staff that we interviewed believed that the overall effects of the state welfare reform changes would likely have a small effect on SSA caseload size. The most common reason given for why there will only be modest effects was because of the past efforts to move persons from state programs to SSI. Representatives from the Detroit Department of Health and Human Services believed that information regarding SSI was very well known among the low-income population and that most of those who may be affected by the reforms had already applied in the past. Similarly, representatives at SSA field offices in Detroit and Lansing believed that the long history of providing extensive information regarding SSI would likely limit the number of persons who transition from FIP to SSI as a result of the recent changes. A caseworker from Adult Well-Being Services believed that the effects would likely be small because the FIA had their clients apply for every program possible to ensure that participation in FIP was a last resort. Finally, both SSA field office and DDS representatives did not notice any large increases in the number of SSI applications following the implementation of FIP.

6. Other State Changes

One major change that effected persons with disabilities, particularly persons with mental impairments, was the devolution from state agencies to local agencies that had been on-going since the early nineties. The purpose of this devolution was to divert money from state agencies to local agencies. An FIA administrator believed that the devolution to local communities was beneficial because localities could better serve their needy populations than a state agency.

A representative of Adult Well-Being Services was very critical of these changes because some localities had much different needs than other localities. This devolution was reported to cause problems in some communities, especially urban communities, where state agencies closed without having adequate community resources to support needy populations. This was especially true of mental health providers. The representative found that the services provided by Adult Well-Being were being used at a much faster rate than in the past, though the amount received for these services had decreased. This representative also stated that were some large populations of homeless persons that could not be served because of an already overburdened staff. The source of growth for the homeless population was attributed to various state changes in the early nineties, as well as with the changes in the provisions for DA&A.

One state project that was mentioned by FIA and Adult Well-Being Services representatives that could have a small effect on helping persons with disabilities in the FIA system return to work was Project Zero. While the funding and services for Project Zero varied significantly by county, in some counties there were programs that provided direct assistance towards helping persons with disabilities remain in the workforce. These services included sheltered workshops and specialized training programs and services for hard-to-place clients. An FIA representative noted that this program had been very successful in some counties. An Adult Well-Being Services representative agreed that the program had been successful in some counties, but noted that the successful Project Zero programs in rural counties may not necessarily provide the same benefit for urban populations.

A final change that was mentioned by Department of Social Services, Adult Well-Being Services, and SSA representatives that could have a small effect on persons with disabilities in the FIP program was the turnover in FIA staff. The state offered a very generous retirement package to state workers in the mid-nineties. As a result of this package, a large number of persons in FIA offices retired. Several of the representatives that we interviewed stated that these changes may effect the implementation of various rules under FIP, including special programs for persons with disabilities.

E. Effect of SSA Reforms in Michigan

SSA field office and DDS staff indicated that the reforms in SSA policy applicable to children, drug addicts and alcoholics, and non-citizens affected both caseloads and the general operations of field offices. Staff from all of the locations that we visited indicated that the SSA policy reforms were implemented in an iterative process, and this created problems in trying to process claims. In particular, they indicated that there was a substantial increase in time spent reviewing and re-reviewing cases. Staff at times felt overburdened and believed that the process could be

helped with additional claims support. We detail the specific effects of the three policy changes below.

1. Child Policy Changes

DDS staff stated that the reforms in child SSI eligibility standards had a large effect on caseloads in Michigan. Data obtained from the DDS indicates that approximately 14,000 child SSI cases were re-determined, and 65 percent of these cases re-qualified. SSA also conducted re-reviews of approximately 2,700 of the terminated cases and only 14 percent of these cases were granted allowances or continuances to date, though 30 percent of these re-reviewed cases were still awaiting a decision.

We found that many SSA employees were frustrated by the multiple iterations of rules and procedures associated with these policy changes. Both SSA field office and DDS staff found the re-review of the SSI child cases to be frustrating, but DDS staff in particular found re-evaluating child SSI cases to be particularly time consuming. Field office staff stated that the increase in workload resulting from these reviews and re-reviews caused SSA to shift effort away from other activities such as continuing disability reviews.

SSA staff also reported that they have seen an increase in the number of child cases with learning disorders and Attention Deficit Disorders as the primary disabling condition since welfare reform began. SSA also indicated that schools have also come to represent a primary source of child SSI referrals—this trend began shortly after the *Zebley* decision and the resulting media attention given to SSI and children with disabilities. SSA established dedicated accounts for many of the *Zebley* era cases to ensure that large lump-sum back payments were used for the benefit of the child SSI recipient.

2. Drug Addicts and Alcoholics Changes

SSA field office and DDS staff reported that the SSA reforms affecting drug addicts and alcoholics had a major impact in Michigan, which had the second largest population of DA&A recipients prior to the policy change. DDS staff reported that of the 15,000 DA&A cases that were notified that their SSI or DI benefits would be terminated, 38 percent re-qualified under another disability. SSA was reportedly mandated to check on the status of DA&A cases and, where possible to ensure that persons who would qualify on the basis of other disabilities re-applied. Field office staff informed us that this effort was not, however, widely implemented, as it was difficult to locate those persons who did not reapply. They noted that many DA&A cases had moved from their reported addresses and could not be located.

Similar to the SSI child reforms, SSA staff stated that it was difficult to interpret and implement the DA&A policy because of the multiple changes in rules. Also, field office staff believed that the large number of revisions may have led to inconsistencies in the implementation of policy across field offices, as well as claims representatives. This problem was exacerbated by the short period of time required by policy makers to implement the policy changes.

DDS and SSA field office staff both observed that prior to the DA&A reforms, the relative ease of qualifying under this condition category was spread by word of mouth and, in some cases,

representative payees who benefited from representing a large number of beneficiaries.⁶⁶ Case workers from both the DDS and regional field offices noted that prior to the DA&A reforms they saw many marginal cases of DA&A. In some cases they believed that applicants purposely became inebriated before their assessment so that they would qualify for SSI benefits under DA&A.

3. Immigrant Changes

SSA staff in Michigan indicated that they were not aware of any long-term effect resulting from changes in eligibility standards for non-citizens. Field office staff did qualify this observation by noting that they did not serve large non-citizen populations so any actual effects would be difficult for them to observe.

F. Welfare Evaluation Efforts in Michigan

We identify two completed evaluations that focus on the effect of welfare reform in Michigan. The first evaluation, conducted by Abt Associates, focused on outcomes including employment status, income security, and program participation of TSMF recipients. The study was completed in 1996 and made use of administrative data for 14,000 TSMF recipients in four sites. Administrative data used included linked data from FIA, the Michigan Employment Security Agency, the Michigan Child Welfare System, and JOBS/Work First files. Abt did not examine the effect of reform on SSA programs, though the data sources that they used could be linked via SSN to SSA administrative data for future evaluation.

The second evaluation, conducted by the Family Independence Agency, gathered information on the outcomes for families whose TSMF case was closed due to non-compliance with program employment requirements. This study is small in scope, based on a sample of approximately 100 individuals, but does provide evidence that some of those who leave the TSMF rolls go on to participate in SSI. For example, approximately 7 percent of the sample reported that they received benefits from SSI after their TSMF benefits were terminated, and health problems were one of the commonly cited reasons for not complying with employment requirements. Although the study does not have a sufficient sample to support broad conclusions, the results do suggest that SSI is an alternative to TSMF for some program participants in Michigan.

G. Data Sources Identified for Potential Use in Future Studies

The FIA offices are constructing a longitudinal database of FIP recipients that could be used for research purposes. This database includes program information on FIP, Food Stamps, Medicaid, and other FIA related programs. The database includes information on both adults and children who are enrolled in FIA related programs.

This database could be used in the future to link to SSA records if SSA could demonstrate that the proposed analyses would beneficial information regarding state programs in Michigan. A representative from FIA noted that he was not aware of any legal issues of merging SSA records to state records. The FIA representative stated that SSA could submit a proposal to obtain data

⁶⁶ This observation was also mentioned in our interviews with Detroit Department of Social Services workers.

form one or more FIA programs that would be reviewed by state officials. The one factor mentioned that could delay a potential match from state records to administrative records was that the FIA staff have a very heavy workload. Hence, while such an analysis is feasible, it may take some time to implement. Demonstrating that the proposed analysis will yield results of key interest to the state is also an important consideration.

Appendix Exhibit C.3

Chronology of Michigan State Welfare Reform Changes from October 1992 to November 1997

October 1992	Implementation of To Strengthen Michigan Families begins under waivers to federal policies including: <ul style="list-style-type: none"> • encouraging parents to remain together by eliminating "marriage penalties;" • disregarding earned income of \$200 plus 20 percent; • providing transitional child care and medical coverage when cash assistance ends due to earnings; and • enhancing child support enforcement tools.
April 1995	Clients who do not cooperate with employment and training expectations have their grants and food stamps reduced by 25 percent. After 12 months of noncooperation, their cases will be closed.
May 1996	Cashing out food stamps for working recipients.
July 1996	Project Zero implemented in six pilot sites.
October 1996	Implementation of Block Grant Reform <ul style="list-style-type: none"> • AFDC becomes Family Independence Program; • Joint orientation conducted by the FIA and Michigan Works! Agency becomes a condition of eligibility for benefits; • Minor parents are required to live in approved adult- supervised settings and attend school as conditions of eligibility; • Mothers with newborn children are excused from Work First only if children are less than 12 weeks of age (previously 12 months); • Most legal aliens currently residing in the US are eligible for FIP, Title XX services and Medicaid but those receiving food stamps or SSI will be cut off in August/September of 1997; • New entrants to the US are not eligible for any federally funded program for the first 5 years after entering the US (exceptions are granted for certain classifications of alien groups); • In two-parent families, one parent is required to work at least 35 hours per week; • Probation/parole violators and fugitive felons are ineligible for benefits.
November 1996	<ul style="list-style-type: none"> • The application for the Family Independence Program is shortened from 23 pages to six pages; • Persons applying for assistance and claiming medical problems are sent to the Social Security Administration for medical determinations. They are deferred from participation in Work First until SSA makes the initial disability determination; • Day care is no longer treated as an expense of employment, but is paid directly to the provider. • A three-month limit on food stamp eligibility is imposed on 18-50 year old able-bodied individuals without children unless they are working or participating in work training programs an average of 20 hours per week. In addition, Michigan received federal approval to implement a 25-hour monthly community service component that allows participants who volunteer to continue receiving food stamps.
February 1997	All Food Stamp participants must cooperate in obtaining child support. Previously only those who received a cash grant or received child care were required to pursue child support.

(Appendix Exhibit C.3 continued on following page)

Appendix Exhibit C.3 (continued)

Chronology of Michigan State Welfare Reform Changes from October 1992 to November 1997

April 1997	<ul style="list-style-type: none"> • Most eligibility workers and all employment/ training and day care workers became Family Independence Specialists; • Another new classification, the Eligibility Specialist, was created to handle non-family cases; • New FIP clients who do not cooperate with employment and training expectations are not eligible for cash grants or food stamps beyond an initial 60-day eligibility period; • Clients who initially cooperate with employment and training expectations and subsequently fail to cooperate have their grant and food stamps reduced by 25 percent. If they are still not cooperating after four months, their case closes; • The monthly reporting requirement is eliminated for many currently mandated reporters; • The Personal Responsibility Plan and Family Contract replaces the Social Contract, Employment Development Plan and Teen Contract.
July 1997	<ul style="list-style-type: none"> • Only cash assets are counted, and limit is raised to \$3,000; • To be eligible for FIP, 19 year olds must attend school full time and expect to graduate by age 20; • Families containing an individual who failed to cooperate with requirements to establish paternity or pursue child support are ineligible after four consecutive months of non-cooperation.
October 1997	<ul style="list-style-type: none"> • Project Zero pilot expanded to six additional sites; • FIP clients meeting the state's 20 hours per week work requirements are eligible for up to one year of job training; • New low-income family MA for FIP recipients and others; • Child Day Care payments/standards increased for some groups.

Source: Michigan Family Independence Agency "Welfare Reform Changes- Chronology"
<http://www.mfia.state.mi.us/welchang.html>

Wisconsin

A. Introduction

The Lewin Group conducted site visits in Wisconsin to gather information on a state with a particularly rich history of welfare reform. Wisconsin's welfare reform efforts pre-date the passage of PRWORA, and the State has experienced dramatic reductions in its welfare caseload in recent years. These factors, combined with the presence of several interesting evaluation and data collection efforts make Wisconsin a state of high interest to this project effort.

While in Wisconsin, we conducted interviews with staff from the following organizations:

- ◆ The Wisconsin Department of Workforce Development's (DWD) Division of Economic Support;
- ◆ Maximus, a Wisconsin Works service provider in Milwaukee County;
- ◆ Social Security field offices in Madison and Milwaukee;
- ◆ The State's Disability Determination Service in Madison;
- ◆ The Wisconsin Council on Developmental Disabilities;
- ◆ The Wisconsin Council of Children and Families; and
- ◆ The Milwaukee Hunger Taskforce.

The remainder of this chapter is organized as follows: In Section B we summarize our findings of the effects of state and SSA policy reforms on persons with disabilities, and present ongoing evaluations and data collection opportunities of relevance to future evaluations. We present a description of recent Wisconsin welfare reforms in Section C, and describe the effect of these reforms on persons with disabilities and their families in Section D. We then discuss reforms in SSA program rules and the resulting effect on participation in SSA disability programs in Section E. Finally, we examine on-going evaluations of Wisconsin's welfare reform efforts in Section F, and present data sources that could be linked to SSA data to evaluate transitions between non-SSA and SSA programs in Section G.

B. Summary of Findings

In this section, we summarize the principle findings of our site visits in Wisconsin, focusing on three areas. First, we discuss the effects of state welfare reforms on SSA disability programs. Second, we present the effect of SSA program reforms that affected children, drug addicts and alcoholics, and non-citizens on SSA disability program caseloads. Finally, we describe on-going evaluations and/or data sources in Wisconsin that are of potential value to future SSA evaluation efforts.

1. *Effect of State Reforms on Persons with Disabilities and SSA Programs*

We identified four main channels through which welfare reform in Wisconsin may affect application and enrollment in SSA disability programs.

First, we found that although SSA staff predicted that the implementation of W-2 (Wisconsin's TANF program) and the resulting focus on employment would lead to increased diversion, very little diversion from W-2 to SSA disability programs has taken place to this point. SSA field office staff in Milwaukee indicated that, despite efforts to train W-2 caseworkers to identify and refer potential SSI eligibles, they have received very few disability program applicants referred by W-2 staff since the program's inception. Under the previous welfare system, caseworkers referred cases with immediately discernable and potentially qualifying disabilities to SSI and DI. This effort was not, however, maintained under the W-2 program. Staff at Maximus, a W-2 service provider in Milwaukee, did inform us that they have only recently begun to address the long-term status of the more challenging W-2 cases, and diversion to SSA disability programs will be one of the primary options that they will explore in the coming months.

Representatives of one advocacy group observed a large increase in the use of local resources such as homeless shelters and food kitchens and believe that W-2 is diverting applicants to local programs, rather than federal programs such as Food Stamps. The suggested reason for this is to avoid the appearance of shifting welfare recipients from W-2 to other welfare programs where state-level statistics are readily available (e.g. Food Stamps, Medicaid, and SSI). They further suggested that the small number of referrals from W-2 to SSI was driven by the state's desire to minimize the potential for W-2 to be characterized as moving people from W-2 to other welfare systems instead of from welfare to work.

Second, the change to W-2, a program that focuses on employment, may prompt some persons with disabilities to leave the rolls and apply for SSI because of inability, or perceived inability, to meet program work requirements. DWD officials informed us that W-2 participants with disabilities are encouraged to engage in work and training activities to the extent feasible given their disabilities. Many of those who participate in W-2 and are exempt from employment requirements are persons with long-term disabilities. One advocacy organization, however, expressed the opinion that the state's portrayal of W-2 as a program suited to those who can work has caused some of their clients to believe that they were ineligible for W-2 because of their disabilities.

Third, we found that prior to the implementation of W-2, there was little discussion of the effect that the program would have on other programs that target the same populations. SSA staff informed us that they had difficulty convincing W-2 staff that they serve populations that SSA serves as well, such as low-income persons with disabilities. The lack of communication between the two agencies led to difficulties when W-2 was implemented because receipt of the W-2 payment, which was now marked as a payment from federal funds, made some recipients ineligible for SSI.⁶⁷ The state now provides a state-only payment for SSI applicants and enrollees, although SSA staff reported that the implementation of this special payment status for a given case is often delayed.

⁶⁷ W-2 pays a fixed grant to participants not engaged in subsidized or unsubsidized employment regardless of family size, and this payment causes many W-2 recipient's income to exceed the income eligibility limit for SSI. This occurs because income from federal source, unlike state programs, is counted toward this limit.

Finally, SSA and DWD staff both noted that the effects of Medicaid and Food Stamp reforms on transitions to SSI were likely quite small, but believed that it was too early to determine any definitive effect.

2. Effect of SSA Reforms in Wisconsin

Reforms that prohibited SSI and DI benefits to drug addicts and alcoholics (DA&A) and re-defined the disability criteria for child SSI applicants each affected SSA caseloads in Wisconsin. SSA field office and DDS staff told us that the DA&A and child disability legislation affected the respective populations as intended, leading to a net reduction in caseloads. SSA local offices did, however, estimate that approximately half of those targeted by the DA&A reforms did not re-apply for benefits, or re-applied and were subsequently denied. Of those terminated, many former DA&A cases participated in Milwaukee county's Interim Disability Assistance Program (IDAP) before re-applying for benefits.⁶⁸

SSA staff and advocacy groups expressed concern that the changes in DA&A and child SSI eligibility were difficult for client populations to understand and react to, and SSA staff noted that the series of policy changes made it difficult for SSA to implement the legislation in a timely manner. SSA staff in Milwaukee informed us that claims for SSI and DI have decreased by approximately 25 percent since 1996, but could not attribute this to any single direct (or indirect) effect that occurred as a result of the reforms to SSA disability programs or state welfare programs.

3. Welfare Evaluation Efforts and Data Sources

We identified several evaluation efforts in Wisconsin, many of which make use of linked administrative data from the Wisconsin Works, Food Stamp, and Unemployment Insurance programs. The Institute for Research on Poverty (IRP) is conducting several evaluations of the effect of welfare reform, including an analysis of labor market outcomes that makes use of administrative data from DWD and the Unemployment Insurance program. IRP is also conducting a survey of a sample of 1,000 families who applied for or receive W-2 benefits. This evaluation will provide information on outcomes such as work experience, and family well being. IRP has also conducted research on the practical and methodological problems associated with evaluating state-level welfare reforms, including discussion of the importance of administrative data. Finally, IRP is conducting an outcomes assessment of the effects of W-2 work incentives using an experimental design and linked administrative data for approximately 4,000 cases. MDRC is conducting an evaluation of a demonstration that incorporates an experimental design to test the effectiveness of employment services designed to benefit persons with low incomes. The recently awarded Welfare Leavers project, funded by the Assistant Secretary for Planning and Evaluation in the US Department of Health and Human Services (ASPE), will also include an evaluation designed to provide information on a sample of families that were either receiving AFDC prior to welfare reform and left AFDC prior to the implementation of W-2, or families that seek W-2 benefits between October, 1998 and March, 1999. Although the project does not include an explicit evaluation of pre- and post-reform outcomes, data will be collected from both periods. The Welfare Leavers project does not

⁶⁸ IDAP is designed to both provide immediate relief to persons who are deemed likely to qualify for SSI benefits, and increase the timeliness of the SSI award process.

explicitly address transitions to SSA disability programs. A recently completed study also funded by ASPE examined earnings and labor market outcomes among those who left Wisconsin's AFDC program in 1995 and 1996. This study uses AFDC administrative data from the CARES file linked with state Unemployment Insurance data to provide information on a range of outcomes and characteristics.

Wisconsin has comprehensive, well-developed data resources dating back to the start of the W-2 program. Currently, the pre-W-2 CARE files are not linked to current W-2 administrative files--matched longitudinal data is not available for both the pre-W-2 and current period, although the files do exist separately. This limitation presents obvious challenges to the development of evaluations designed to estimate the overall effect of welfare reform using a pre- and post-W-2 evaluation period. Department of Workforce Development staff suggested that a match to SSA administrative data is possible, though SSA would first have to demonstrate the value of any proposed analyses to the state. SSA field office staff also indicated that they have direct access to state administrative data including information on demographic characteristics, family composition and family heads; program participation including food stamps, W-2, Medical Assistance, and Unemployment Insurance; income information; and employment status. SSA is also currently attempting to establish links to child support data. These data links are used by SSA field offices for the purpose of SSI and DI eligibility determination, and state permission would be required to use them for research.

C. Overview of Welfare Reform in Wisconsin

Wisconsin began its process of welfare reform as early as 1987 and began the transition to work-based welfare programs with the implementation of the Work Not Welfare program in 1995. Following the implementation of Work Not Welfare, Wisconsin continued to expand the scope of its emphasis on moving participants from welfare to work, and this emphasis is a principle focus of the current Wisconsin Works (W-2) system. In this section we provide an overview of Wisconsin's pre-PRWORA reforms in order to provide a comprehensive depiction of the evolution of the state's current welfare system, and then describe the state's current efforts.

1. Pre-PRWORA Reforms

a) Work Not Welfare

The Work Not Welfare system, implemented in January of 1995, served as a starting point in the transition to an employment-based welfare system in Wisconsin. Implemented in two counties, Fond du Lac and Pierce, Work Not Welfare incorporated time-limited benefits and an immediate emphasis on returning to work or receiving the education and/or training necessary to join the workforce. Under this program, participants were not permitted to collect cash benefits for longer than 24 months and were required to begin working, or training necessary for work, within one month of the initial grant. After one year, participants were expected to be working in a private sector job or working in a sponsored public sector job in exchange for benefits. Both counties reported a reduction in their welfare caseload of more than 60 percent by the end of 1996.

b) Self-Sufficiency First

With the implementation of Self-Sufficiency First (SSF) in March of 1996, the Work Not Welfare program was instituted statewide. In addition to carrying on the work requirements and time limits established under Work Not Welfare, SSF also mandated immediate referral to and enrollment in the JOBS program and set minimum standards of compliance with the JOBS program. SSF was also designed to explore alternatives to AFDC reciprocity prior to enrollment in the program. Potential clients met with Financial Planning Resource Specialists who brought other means of income, primarily other community resources, to the attention of the client.

c) Pay for Performance

Implemented statewide at the same time as SSF, Pay for Performance (PFP) was designed to replicate the workplace by requiring participation in the JOBS program in exchange for benefits. Clients were required to participate in JOBS activities for at least 20 hours a week and no more than 40 hours per week, where their grant was a function of the number of hours “worked.” Participants who failed to meet these standards faced grant reductions equal to the minimum wage for each hour of noncompliance.

2. Wisconsin Works

In September of 1997, Wisconsin implemented Wisconsin Works (W-2), an employment-based program that focuses on minimizing the duration of welfare program participation through rigorous employment and training programs. Under W-2, clients receive a range of services including training and education, child care and transportation assistance, and medical assistance, services that are all designed to facilitate return to work. Wisconsin intends to enforce a 60-month time limit on participation in W-2, and has a system of sanctions designed to provide an incentive to comply with the program’s work requirements. It is also important to recognize that unlike grants under AFDC, which were based on family size, W-2 grants more closely resemble a stipend paid for participation in W-2 work programs.

Upon program entry, clients consult with a Financial and Employment Planner (FEP) who determines their position on W-2’s four-step ladder of employment and helps them to develop and implement a plan for their permanent return to work. In order of preference, the steps of the employment ladder are:

- ◆ Unsubsidized Employment. Individuals in the W-2 system are encouraged to participate in unsubsidized employment as quickly as possible. Persons who participate in unsubsidized employment receive no cash grant from the state (income is obtained from their earnings) though they remain eligible for all other services. As of August, 1998 there were 5,080 persons in this category statewide.
- ◆ Trial Jobs. Trial Jobs is a system of subsidized employment designed to help persons who are unable to locate unsubsidized work but nevertheless wish to work meet their goals. In essence, trial jobs contracts are set up to compensate employers for any additional training or support costs that may occur as a result of hiring the W-2 participant. Trial Jobs are designed to lead to long-term employment. Participants receive at least the minimum wage for their work effort and no cash grant is awarded. In August there were approximately 90 persons in trial jobs statewide.

- ◆ Community Service Jobs. Under this program persons who need to develop skills and/or work habits may participate in special community service jobs while receiving education and training. The state provides a maximum monthly grant of \$673 for up to 30 hours of work per week and up to 10 hours of education and training. Approximately 8,246 people were working in community service jobs in Wisconsin as of August, 1998.
- ◆ W-2 Transition (W-2T). Individuals who are unable to perform independent, self-sustaining work are assigned to the W-2T program. They receive a monthly grant of \$628 for up to 28 hours per week in work training or other developmental activities up to their abilities and up to 12 hours per week in other education or training activities. In August of 1998, the state reported that 2,250 persons were in this step of the employment ladder.

W-2 program services are delivered by contracted entities. Although the majority of these entities are counties, five different private contractors perform service delivery in Milwaukee County. Contractors are subject to performance standards and stand to share in any cost-saving that results from efficiently helping clients to find and maintain employment. We conducted interviews with staff from both the Wisconsin Department of Workforce Development's Department of Economic Support, and Maximus, one of the contractors responsible for administering the W-2 program in Milwaukee. We found that TANF caseloads have decreased dramatically since the inception of the program. The number of persons receiving cash assistance has, for example, fallen from 98,300 in 1987 to 34,430 in September of 1997 to 10,500 in August of 1998.

Staff at the Maximus office attributed a portion of their success to the strong regional economy, noting that Milwaukee has an unemployment rate of approximately 1.5 percent. This has made it relatively easy for Maximus to find employment opportunities for their clients that pay well and meet specific client needs including flexible schedules, child care, and other benefits. Staff noted that an economic downturn has the potential of making their job more challenging if jobs that are currently filled with clients are eliminated or filled with other members of the labor force who do not participate in W-2. Maximus and other contractors do attempt to limit this potential by targeting industries that are less likely to be affected by economic downturns, such as the health care and food service industries.

Because the state has had success in employing the majority of those who do not face severe obstacles to employment and moving them off of W-2 roles, Maximus anticipates that they will face challenges as their caseload becomes increasingly comprised of cases with more severe problems. Maximus noted that the implementation of the federally mandated 20 percent allowable exemption from time limits is still a point of discussion and has received increasing attention in recent months. Managers anticipate that the debate over which portions of the caseload should be exempted will intensify in the coming months.

D. Effect of State Reforms on Persons with Disabilities and SSA Programs

We conducted interviews with staff responsible for the implementation of the W-2 program, other service providers and advocacy groups, as well as Social Security field offices (FOs) and disability determination services (DDS) in order to obtain contextual evidence of the effect of Wisconsin's welfare reform on persons with disabilities. We focused on people with disabilities

for they comprise the population that is most likely to apply for SSA disability programs as a result of welfare reform. In this section, we discuss the state and local programs, and incentives that may affect participation in state welfare and SSA disability programs.

1. *Diversion and SSI Advocacy*

One principle avenue through which welfare reform may affect SSA disability programs involves state efforts to divert potential or current program participants to the SSA programs. DWD staff informed us that historically there has been considerable variation in how diversion to SSI has been handled. The likelihood that a candidate for SSI was detected and referred was largely a function of the caseworker's familiarity with both the SSI program and the client in question. As some disabilities are difficult to detect, claims representatives who knew their clients well were more likely to recognize a client's disability and refer them to SSI. During the pre-reform periods with relatively little attention given to employment, it was less likely that persons with work limitations would be identified by their caseworkers. This was especially true for caseworkers that handled disproportionately large caseloads.

Representatives from the SSA field office in Milwaukee expected to see a large increase in diversion efforts given the focus on employment included in the W-2 program. To this point, however, the field office has seen very few referrals from W-2 to SSA disability programs. One advocacy group observed a large increase in the use of local resources such as food kitchens since W-2 was implemented, and believed that W-2 was diverting applicants to local programs rather than federal programs such as Food Stamps to avoid appearing to shift welfare recipients from W-2 to other welfare programs. They suggested that the small number of referrals from W-2 to SSI was driven by the desire to minimize the potential for W-2 to be characterized as a program that moves participants to other welfare systems rather than from welfare to work.

Wisconsin has succeeded in moving the majority of welfare clients into unsubsidized employment and now faces the challenge of assisting the W2T cases that are more difficult to serve. In Milwaukee County, an effort to address these cases will begin shortly and will likely include an effort to determine which cases may be eligible for SSA disability programs and refer them accordingly. There is currently no explicit effort to identify eligible cases and refer them to SSA programs or require that they apply. Department of Workforce Development staff did indicate, however, that they are currently working at the office-level to encourage FEPs to be more effective in advocating participation in SSI for appropriate individuals. DWD has also instituted a policy of allowing W-2 participants to count time spent applying for SSI to the W-2 employment requirement. Both of these policies should lead to more referrals in future periods.

There has also been some coordination of effort to identify SSI eligibles between DWD and SSA staff. SSA has provided training sessions in which they inform W-2 Financial and Employment Planners about the qualifying conditions for SSI. The purpose of these sessions is to enable W-2 claims representatives to detect and refer SSI eligibles accordingly. Staff from SSA's Milwaukee field office reported that these training sessions have not yet led to an increase in SSI applications.

SSA field office staff in Madison also indicated that past referrals from AFDC had a high denial rate, but what referrals they do see from W-2 are much more likely to meet the SSI program

criteria. Field office representatives believed that this change occurred because of a change in the need to find non-AFDC/W-2 sources of income. That is, it may have previously been the case that recipients were satisfied with their AFDC income and did not give much effort to meeting the requirements of the SSI application process. After the implementation of work requirements and time limits, SSI has become a relatively more important long-term source of income and applicants not put higher priority to completing the application process and complying with program eligibility requirements.

2. *Employment of People with Disabilities in the W-2 Program*

As described above, Wisconsin Works is an employment-based system. Although W-2 participants with disabilities are encouraged to engage in work to the extent feasible given their disabilities, DWD and Maximus representatives informed us that more than half of those who participate in the W-2T program (and who are exempt from employment requirements) are persons with long-term disabilities. These types of individuals were exempted from work under AFDC, and Maximus office staff anticipates that some of these individuals will make up Wisconsin's 20 percent exemption. They informed us that the determination of the 20 percent exemption remains a topic of considerable debate.

Support groups expressed concern that the shift to employment-based programs has resulted in a loss of focus on how to best serve persons with disabilities, especially those with disabilities that are not sufficiently severe to meet the SSA definition of disability. The state does, however, appear to be going to lengths to ensure that persons with disabilities who can work become employed—even if the employment is part-time only or a short-term situation designed to develop job skills. Maximus reported that they have a specialized employment team that addresses the employability of hard-to-serve cases including persons with disabilities. For these cases, ability to work is assessed and flexible work plans or deferrals are then implemented. Maximus also reported that clients in W2T can, and do, participate in several sheltered workshop programs that they have set up in the Milwaukee area. They noted that these settings serve as a valuable opportunity to test a client's ability to work in various environments. The majority of the people with long-term disabilities who participate in this program have learning disabilities or mental retardation. DES staff in Madison suggested that the other Milwaukee county contractors were having similar experiences. To the extent that persons with disabilities are offered more attractive employment and training services, there may be a reduction in participation of other support programs such as SSI.

3. *Other State Reforms that Affect Persons with Disabilities*

In this section we provide information on additional policy developments in Wisconsin that have affected, or have to potential to affect, persons with disabilities.

a) *Treatment of SSI and W-2 Income*

We identify two issues related to the way in which income from other programs is treated in the SSA and W-2 programs. First, although income from SSI, for both adults and children, is considered in the W-2 program eligibility determination, W-2 grants are fixed payments that are unadjusted by SSI income once the program eligibility criteria is met.

Second, SSA staff informed us that during the W-2 startup phase, and to a lesser extent currently, receipt of cash W-2 grants often made recipients ineligible for SSI benefits because the W-2 payments exceeded the SSI income thresholds. Unlike the situation under the previous welfare systems, W-2 grants are now marked as federally funded and paid solely to the W-2 participant not the participant and his or her children. The SSI income determination process includes benefits from federally funded programs (income from state funded programs is excluded), and as a result many W-2 recipients had income in excess of SSI program limits. SSA expressed that it was difficult to convince the state that SSA and state welfare programs served similar populations such as low-income persons with disabilities. Although the state now provides a state-only payment to W-2 participants who are SSI applicants or enrollees, SSA staff reports that the implementation of this payment for a given case is often delayed, resulting in ineligibility or reductions in the amount of SSI back payment that the client receives.

SSA staff in Madison suggested that the attention given to providing the state-only W-2 benefit to SSI applicants has increased the likelihood that W-2 caseworkers know of and will refer applicants to SSA disability programs. The field office in Milwaukee, however, has seen no such change.

b) Changes in TANF Payments to Families with Caretakers that are SSI Recipients

Welfare reform in Wisconsin brought about a change that affected TANF families with caretakers who are SSI recipients. This change occurred when the Caretaker Supplement for Children of Supplemental Security Income Recipients (C-SUPP) was enacted in December of 1997. Before the reforms were enacted, adult SSI recipients who met the AFDC eligibility standards received AFDC payments based on family size, excluding the SSI recipient. The new C-SUPP payment is designed to avoid duplication of payments for basic living expenses, and instead, provides a payment intended to meet the basic needs of eligible children. Prior to the implementation of C-SUPP, an adult SSI recipient typically received \$249 per month in AFDC payments for one child and \$440 per month for two children. Under C-SUPP, as originally implemented, the same adult SSI recipient would only receive \$77 per month for each child, regardless of the number. This amount was subsequently increased to \$100 per month in July 1998. The substantial reduction in the level of the AFDC/TANF payment to families with adult SSI caretakers is estimated to have affected about 5,900 families in Wisconsin. The decrease in total income resulting from this program change has increased the relative importance of other benefits. Advocates in Wisconsin indicated that prior to C-SUPP, food stamps were a less important source of income to the families.

c) Pathways to Independence

Another recently implemented program that affects persons with disabilities is Pathways to Independence, a demonstration project that has been developed by the Department of Workforce Development and the Department of Health and Family Services. This program is one of 12 state projects funded by the Social Security Administration as a part of the National Task Force on Employment of Adults with Disabilities. Pathways to Independence is designed to assist persons with severe disabilities to find employment without risking essential support services. Over the next five years, the project is designed to assist between 1,200 and 1,800 persons who have disabilities that meet the federal definition of disability and are eligible for SSI or DI. The

program will offer various vocational and rehabilitation services designed to help persons with disabilities partake in employment in excess of the SGA standard. Pathways to independence will also provide consulting services in order to educate clients about program rules and interactions as they apply to people with disabilities. Finally, a combined data base featuring information from DWD, vocational rehabilitation and Medicaid will be developed to follow outcomes.

d) Other Programs Likely to Affect Persons with Disabilities

The de-linking of Medicaid and W-2 benefits is an additional program change that may affect participation in SSA disability programs. Unlike AFDC program rules, W-2 recipients are not automatically eligible for Medicaid, and advocacy groups expressed concern that many persons who may be eligible for benefits are not receiving them simply because they do not apply for benefits. These concerns have led to outreach efforts including information stations in hospitals and other areas, and training sessions for advocacy groups designed to provide information on Medicaid eligibility. Any perceived loss of Medicaid eligibility among persons with disabilities on W-2 roles will make participation in programs such as SSI relatively more attractive.

SSA field office staff in Madison informed us that W-2 participants no longer forfeit their child support payments to the state, and this change has complicated SSA's eligibility and benefit determination process for these individuals. That is, because the amount of child support income may vary dramatically from month to month, SSA often makes over- or under-payments because they are not informed of these changes. The fluctuation in SSI payment is reported to both confuse the recipients and make the payment process more difficult for claims representatives. SSA staff in Milwaukee did not observe this effect. Any effect that does result from varying W-2 income is not likely to have changed the level of participation in SSA programs, though it will affect the experiences of staff in SSA field offices and SSI recipients.

Finally, SSA field offices told us that the state administration of the state SSI supplement has affected SSA operations and persons with disabilities. The state supplement is now administered by EDS and all persons who receive federal benefits will receive the \$83 supplement. SSA staff informed us that the change in administration of this program has reduced their workloads. They also reported that recipients of the supplement have expressed confusion over the fact that SSA does not administer the program and cannot respond to their questions about benefits.

E. Effect of SSA Reforms in Wisconsin

SSA field offices and DDS staff noted that the changes in legislation affecting persons for whom drug addiction and alcoholism (DA&A) is material to their disability, and changing definitions in disability as applied to children affected the respective populations as intended. SSA local offices estimated that approximately 50 percent of those targeted by the DA&A reforms did not re-apply for benefits, or re-applied and were subsequently denied. Many former DA&A cases showed up in Milwaukee county's Interim Disability Assistance Program (IDAP) before re-applying. IDAP was established in Milwaukee County immediately following the termination of the state's General Assistance program and is designed to provide immediate loans to persons with disabilities who are in need of short-term cash assistance. The program has also been reported to

slightly increase the speed with which applications to SSI are decided, a change that has resulted from increased communication with the SSA's disability determination service.

Advocates and SSA field office staff both expressed concern that the changes in DA&A and child SSI legislation were difficult for client populations to understand and reactions to the policies were in some cases delayed or postponed entirely. SSA staff also noted that the series of changes made it difficult for SSA to implement the legislation in a timely manner. SSA field office staff observed no major effect of the changes in legislation affecting non-citizens, though neither of the offices that we spoke to served large non-citizen populations.

F. Welfare Evaluation Efforts in Wisconsin

We learned of several evaluation efforts currently underway in Wisconsin. These evaluations are of interest insofar as they provide an opportunity to assess the availability of data and gauge the feasibility of conducting additional evaluations in future periods. We briefly describe these evaluation efforts below. For more information on welfare reform evaluations being conducted in Wisconsin and other states, see **Chapter 2**.

1. Institute for Research on Poverty Evaluations

The Institute for Research on Poverty (IRP) is conducting several evaluations of the impact of W-2 on low-income families and has given focus to developing research strategies for evaluating the effects of welfare reform in Wisconsin and other states. We discuss these efforts in the remainder of this section.

IRP is working under contract with the Wisconsin Department of Workforce Development to examine the impact and outcomes of the W-2 work incentives. The evaluation incorporates an experimental design under which approximately 4,000 people in four sites have been randomly assigned to treatment groups that operate under current W-2 program rules, or control groups that are subject to AFDC policies. The program makes use of administrative data including AFDC/TANF, Food Stamps, and Unemployment Insurance program data, and also includes information on SSI and DI participation. The datasets that are assembled as a result of this project are of interest to this future SSA evaluation efforts insofar as they may be merged with SSA administrative data.

In another evaluation, "What Happens to Families under Wisconsin Works?", information will be collected via survey from 1,000 randomly selected families who come into contact with the Milwaukee W-2 system through either application or enrollment. Information on work experience, program participation, and family well being will be collected at both initial contact and one year following first contact. Information on participation in SSI will be collected as a part of this evaluation. This project will be based on the pilot study conducted using a sample of 200 participants in Dane County's W-2 program. Although this evaluation does not make use of state administrative data, it is of value to SSA insofar as it provides information on transitions to SSI and other information on the economic and demographic characteristics of welfare recipients. It may also provide information on the usefulness and feasibility of gathering information via surveys.

A separate evaluation that makes use of DWD administrative data, “Evaluating the Labor Market Impacts of W-2,” will assess the labor market outcomes for current and former W-2 participants and low-income persons who do not participate in W-2. The evaluation will provide information on stability, source, and industry of employment, sources of income and dependency on income from W-2 and other support programs, and demographic characteristics. Data will be obtained from both DWD and state Unemployment Insurance administrative data files.⁶⁹

Finally, IRP conducted a project that focuses on methods for evaluating W-2 and state-based welfare reforms. Although this project does not include performing any evaluations, it is valuable insofar as important practical and methodological concerns are considered in detail. The project resulted in a national conference on the evaluation of comprehensive state welfare reforms in November of 1996, and has been extended to focus on using linked administrative data for state-level evaluations of welfare reform.⁷⁰ The extension of the original project will focus on issues related to the use and organization of administrative data that may be used to inform program monitoring, design, and evaluation. A goal of this effort is to create a single comprehensive research file that contains administrative data from several sources. Though these projects do not provide additional direct evidence of the effects of welfare reforms on populations of interest to SSA, they are of obvious interest to future evaluators wishing to evaluate the effects of the reforms in Wisconsin or other states, and will serve as a resource for studies that make use of state administrative data.

3. *The New Hope Demonstration*

We also learned of an evaluation effort being conducted by the Manpower Demonstration Research Corporation (MDRC) that is focused on the outcomes of a demonstration in Milwaukee. The demonstration, called New Hope, is designed to increase the employment of persons with low incomes. New Hope demonstration participants need not be enrolled in W-2, though the majority of the 1,300 persons participating in the demonstration are W-2 participants. MDRC is making use of various administrative data sources including AFDC, Food Stamps, UI, and Medicaid records. Although this evaluation is not constrained to welfare recipients per se, the data sources used in the evaluation are of potential value to future evaluations.

4. *Evaluations of Welfare Leavers*

The Assistant Secretary for Planning and Evaluation in the U.S. Department of Health and Human Services (ASPE) recently awarded grants for 13 projects to study the outcomes of welfare reform on individuals and families who leave the TANF program in ten states and several counties and consortia of counties. One of these projects, known as the Welfare Leavers projects, will be conducted in Wisconsin and will build a longitudinal data set containing information on families who left AFDC prior to the implementation of W-2, as well as families who leave W-2 in 1998, and persons who apply to W-2 between October 1998 and March of 1999. Any data on transitions to or from SSA programs collected as a part of this evaluation

⁶⁹ For more information on the contents of these files see Section G, Data Sources Identified for Future Evaluations.

⁷⁰ See Institute for Research on Poverty (1997). Volume 18, Number 3, Spring 1997 for more information on the proceedings of the conference.

would be a key source of information for evaluations of the effect of welfare reform on SSA programs.

A recently completed related project effort also conducted for ASPE, *Post-Exit Earnings and Benefit Receipt among Those Who Left AFDC in Wisconsin*, focuses on outcomes for families that left the AFDC in 1995 and 1996 including earnings and labor market outcomes, recidivism, and participation in other programs. This evaluation makes use of merged administrative data from the AFDC and Unemployment Insurance programs. These data allowed the evaluators to gather information on demographic characteristics such as age, education, race, number of children in the family, age of the youngest child, immigrant status, quarterly earnings, place of employment and standard industry code. Information on program participation including SSI, Food Stamps and Medicaid was also available.

The authors present estimated relationships between the aforementioned characteristics and outcomes such as the likelihood of leaving/returning to AFDC, obtaining increased income/earnings, and breaking ties to public assistance. The sample includes more than 26,000 persons who left the AFDC program and more than 28,000 persons who remained in the AFDC program in the period of interest. Among their many findings, the evaluators report several outcomes associated with SSI participants including: mothers who received SSI were less likely to leave AFDC, but were no more likely to return within 15 months; SSI mothers had, on average, a smaller number of quarters worked once they left AFDC; and a smaller probability of having earnings in the year after leaving AFDC. All findings are relative to non-SSI AFDC participants.

Both studies of welfare leavers provide an opportunity for future SSA evaluations to benefit from the use of the administrative data sets assembled for these analyses. Gaining access to administrative data in Wisconsin will depend on SSA's ability to illustrate that any proposed analyses will be of value to the state. We discuss this in greater detail in the following section.

G. Data Sources Identified for Potential Use in Future Studies

Wisconsin maintains several state data sources that would be of value to future evaluations of the overall effect of welfare reform on SSA programs. W-2 agencies have longitudinal information from 1996 on a wealth of information including information on basic demographic characteristics, family composition and family heads; program participation including food stamps, W-2, Medical Assistance, and Unemployment Insurance; income information; employment status; and child support information. SSA local offices currently have access to the full W-2 database, which is used by SSA claims representatives to gather information on employment, earnings, and income of SSI beneficiaries and applicants. This database contains SSNs for all persons. The state has also been developing a special wave-based data warehouse to track W-2 recipients since 1997. DWD officials informed us that the Institute for Research and Poverty is currently conducting an evaluation using this data, and indicated that the data could be made available to other researchers, including SSA. Release of the data would be contingent on SSA's demonstration that any proposed evaluations would benefit the state. Although Pathways to Independence has not yet been implemented, the project will make use of a combined data

base featuring information from DWD, vocational rehabilitation and Medicaid programs. This source could be of value in future periods.

The Department of Workforce Development's AFDC administrative database (CARES) contains information on characteristics of AFDC recipients and may be of additional value to future evaluations. As discussed in the previous section, this file was used to examine outcomes for AFDC leavers and contains information on variables such as: SSN, mother's age, mother's education level, mother's race, total number of children in the household, age of the youngest child, presence of other adults in the household, SSI status of the mother, SSI status of children, mother's immigrant status, and county of residence. Identifiers for Food Stamp reciprocity and Medicaid eligibility (but not reciprocity) are also included in the CARES file.

SSA field offices in Wisconsin are also currently exploring the possibility of establishing a link with Wisconsin county databases that would provide additional up to date information on marriage and divorce, probation and felonies, incarceration, and other court determinations. SSA is also currently in discussions with the state to gain access to child support databases. Additionally, the ongoing operational data-sharing between the state and SSA field offices will likely facilitate future evaluation efforts.

APPENDIX D

AGGREGATE DATA ANALYSIS OF THE PRE-REFORM PERIOD

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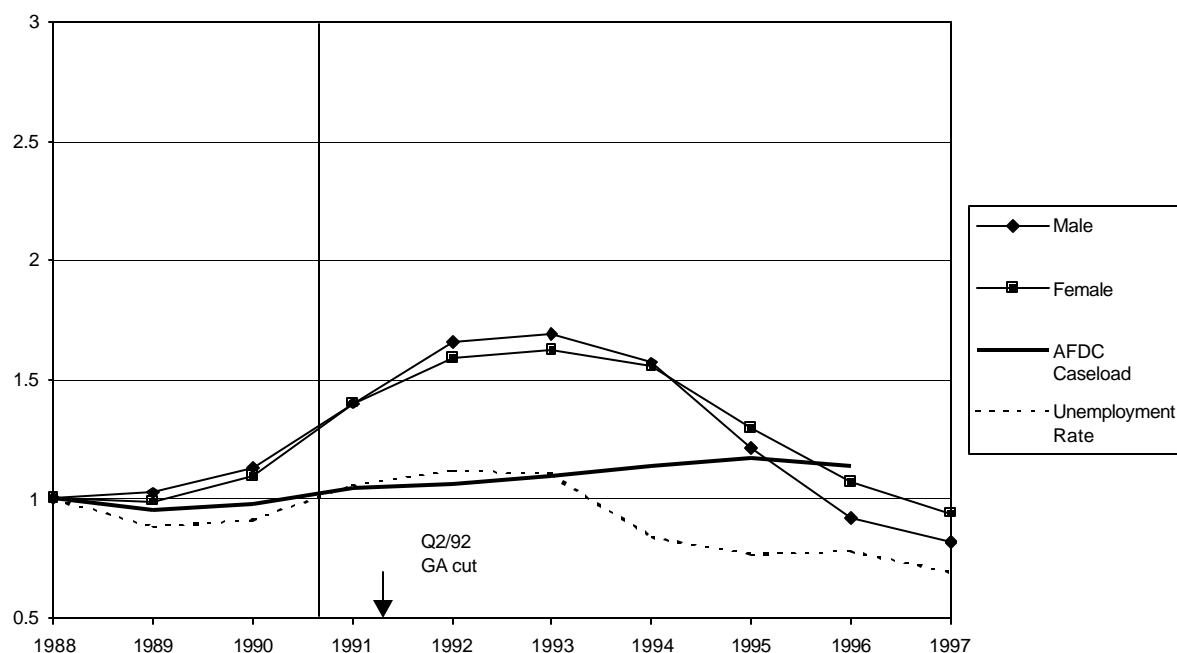
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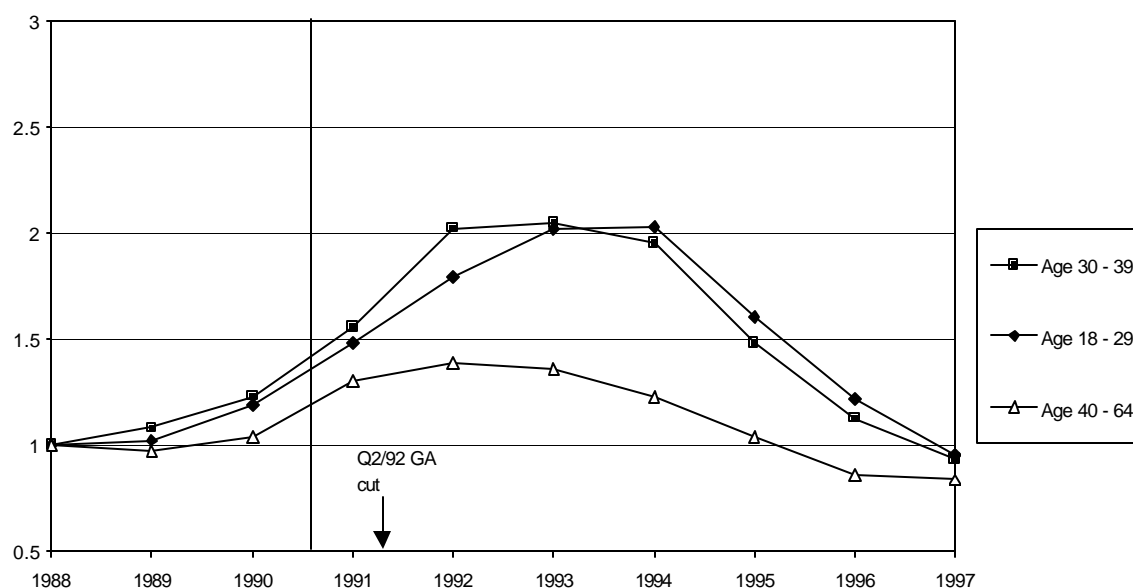
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Appendix Exhibit D.1: Adult SSI Disability Application Indices in Illinois, 1988 – 1997

A. By Sex (age adjusted)



B. By Age

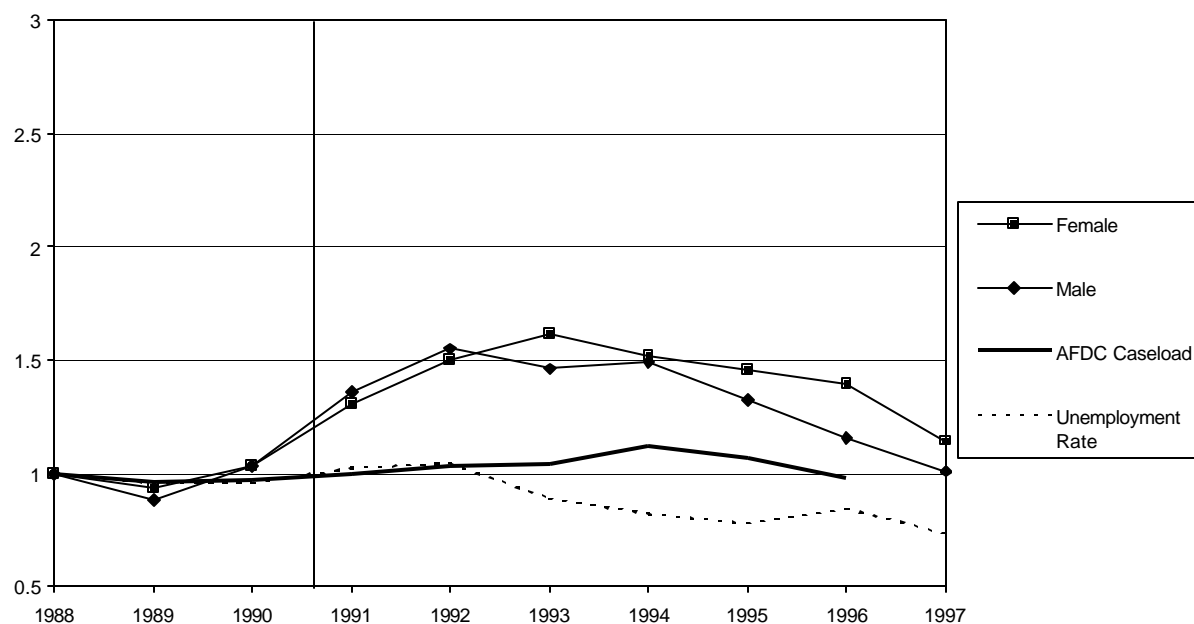


Source: The indices are calculated from SSA application data and population data from the Bureau of the Census. The vertical line between 1990 and 1991 represents a break in the source of the application tabulations. The unemployment index is calculated from Bureau of Labor Statistics data, and the AFDC caseload index is calculated from data provided by the Administration for Children and Families and population data. See the text for further details.

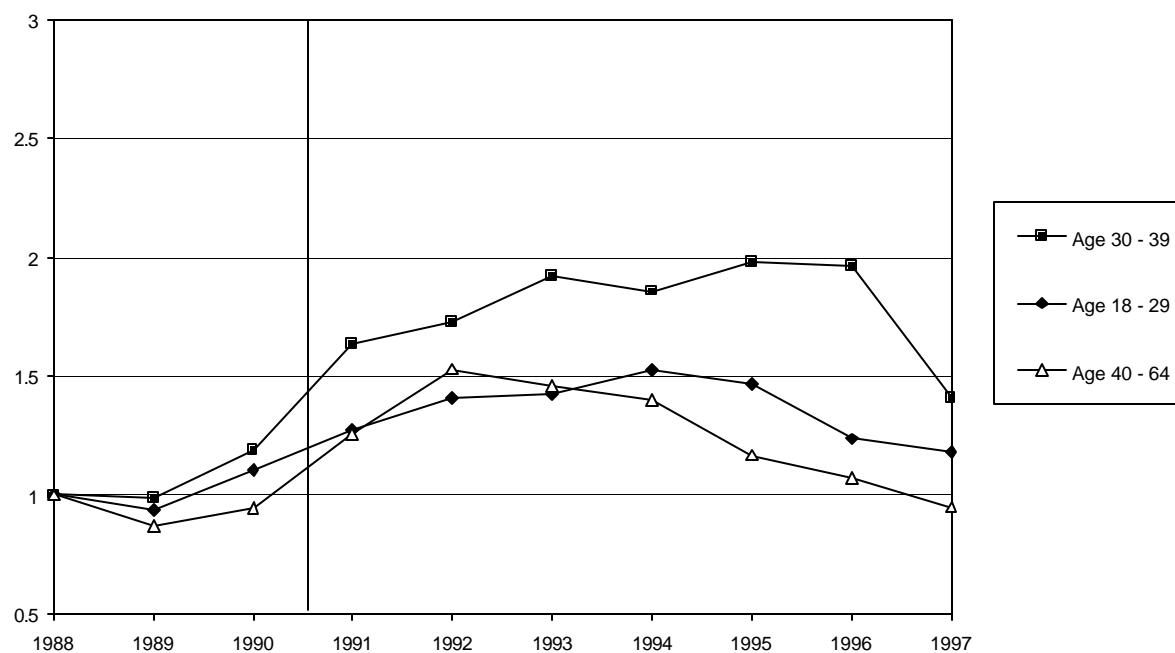
Illinois implemented four statewide welfare reform demonstration projects before the passage of PRWORA. Two of Illinois' demonstration projects focused on increasing the self-sufficiency of AFDC families. The first of these demonstrations, the Work Pays Project, was approved in November 1993 and was implemented shortly thereafter. Work Pays instituted substantial earnings disregards for use in determining eligibility and calculating payments as well as liberalized the gross income test used in determining eligibility. The new payment determination process disregarded two-thirds of an eligible family's gross earned income. The second demonstration, Work and Responsibility, was initially approved in October 1995, with additional provisions being approved in August 1996. Work and Responsibility limited AFDC payments to a total of 24 months without earnings for households whose youngest child was at least 13 years of age. Work and Responsibility also required that AFDC applicants, who were determined to be job ready and whose children were between the ages of 5 and 12, participate in job search activities for up to six months. Collectively, the Work Pays and Work and Responsibility Demonstration projects encompassed many of the policies that were eventually included in Illinois' TANF program. It is unlikely that the other two demonstration projects, the School Attendance Demonstration, which was approved in September 1995, and the Six-month Paternity Establishment Demonstration, which was approved in June 1996, had any effect on SSI applications or program participation.

Appendix Exhibit D.2: Adult SSI Disability Application Indices in Iowa, 1988 – 1997

A. By Sex (age adjusted)



B. By Age

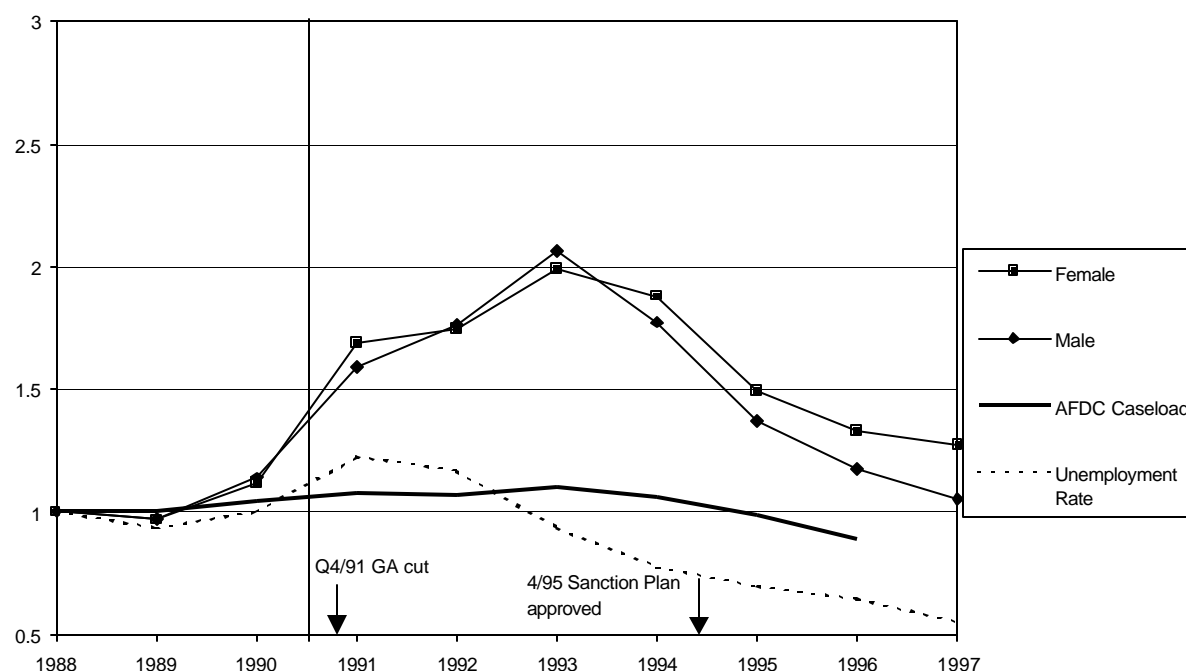


Source: The indices are calculated from SSA application data and population data from the Bureau of the Census. The vertical line between 1990 and 1991 represents a break in the source of the application tabulations. The unemployment index is calculated from Bureau of Labor Statistics data, and the AFDC caseload index is calculated from data provided by the Administration for Children and Families and population data. See the text for further details.

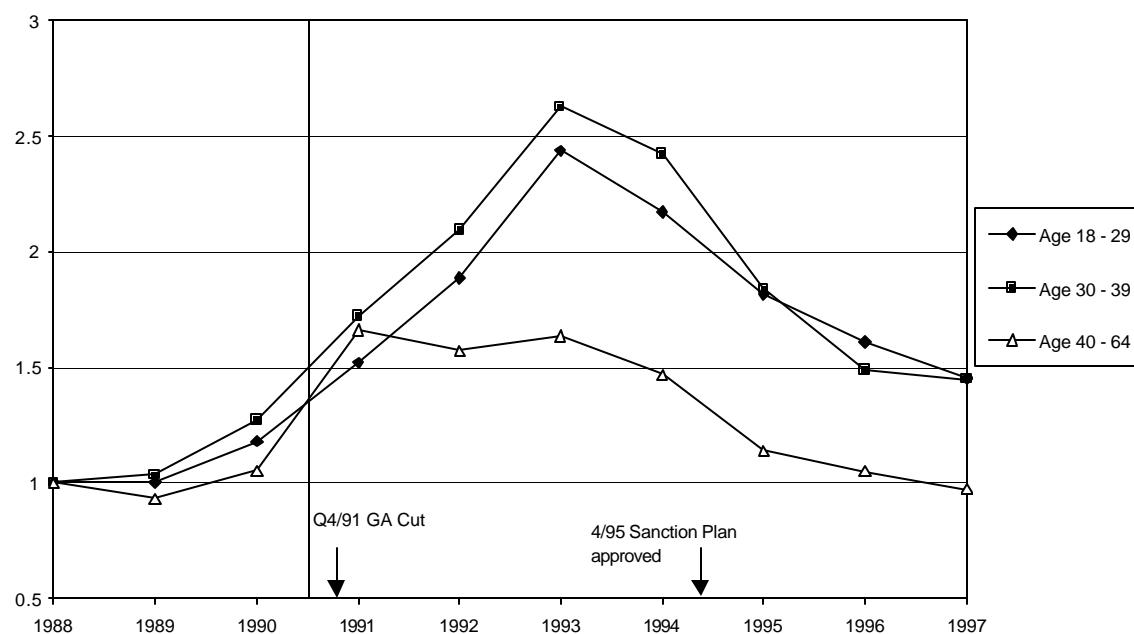
Iowa's current TANF program, Family Investment Plan (FIP), is actually extension of a welfare reform effort dating back to 1993. FIP seeks to promote self-sufficiency by providing generous earnings disregards and expanded resource limits for both applicants and participants. FIP also requires most parents to develop a self-sufficiency plan. These plans include an individually based time frame for achieving self-sufficiency. Families failing to meet the self-sufficiency time frame risk losing their eligibility for cash assistance and are unable to re-apply for six month. Families who fail to meet the self-sufficiency time frame, but have demonstrated satisfactory effort towards meeting their goal, are eligible to have their time frame extended.

Appendix Exhibit D.3: Adult SSI Disability Application Indices in Michigan, 1988 – 1997

A. By Sex (age adjusted)



B. By Age

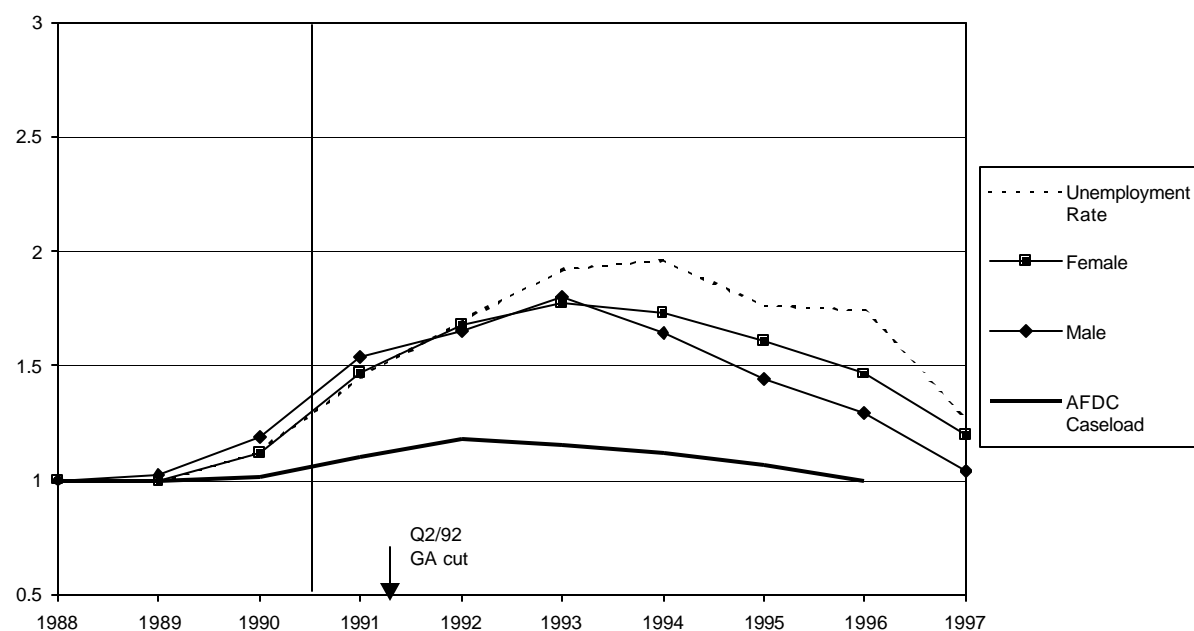


Source: The indices are calculated from SSA application data and population data from the Bureau of the Census. The vertical line between 1990 and 1991 represents a break in the source of the application tabulations. The unemployment index is calculated from Bureau of Labor Statistics data, and the AFDC caseload index is calculated from data provided by the Administration for Children and Families and population data. See the text for further details.

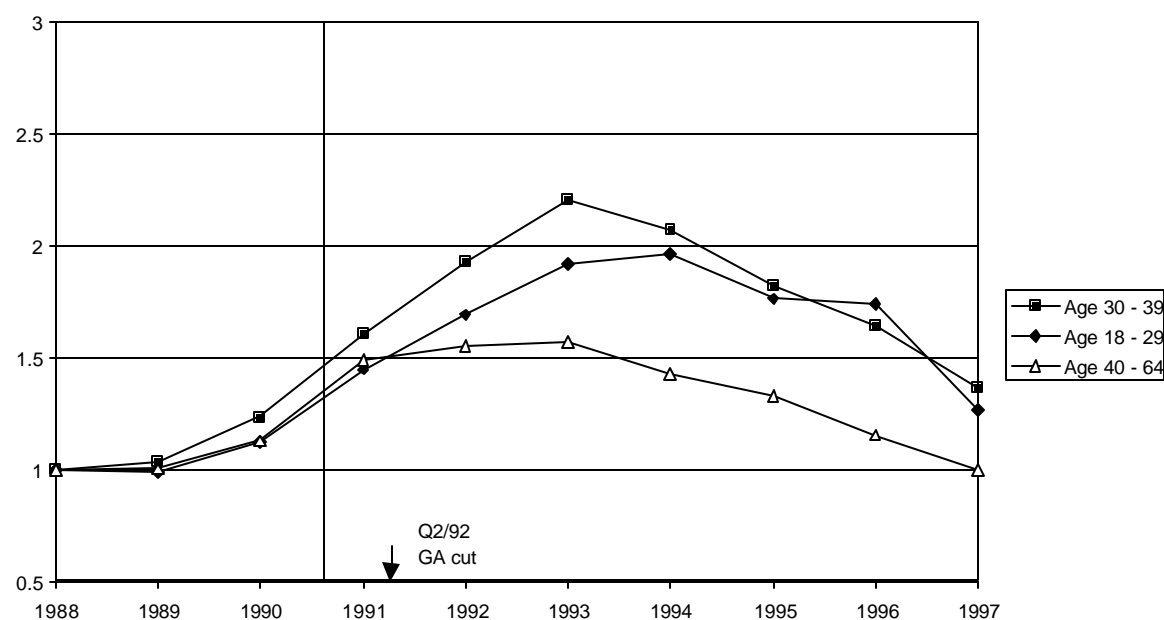
Michigan received a series of federal welfare reform waivers between 1992 and 1996 that together constituted the To Strengthen Michigan Families (TSMF) program. The principle focus of the first waivers implemented statewide in October of 1992 was the provision of transitional assistance in support families in their efforts to achieve increased self-sufficiency. This program included work incentives in the form of transitional child and medical coverage for families that were no longer eligible for cash assistance due to earnings. In April 1995, the State received approval to sanction AFDC participants who did not cooperate with employment training requirements included in the 1995 waiver. Such sanctions entailed AFDC and food stamp grant reductions of 25 percent. In instances where AFDC participants failed to comply for a period 12 months, the State completely ended AFDC payments to the entire family. State law exempted certain AFDC recipients from the stricter work requirements, including severely disable recipients; caretakers of a severely disabled child or spouse; recipients employed 20 or more hours per week; minor parents; and pregnant women. Michigan replaced its AFDC and TSMF programs with the Family Independence Program in October 1996.

Appendix Exhibit D.4: Adult SSI Disability Application Indices in Ohio, 1988 – 1997

A. By Sex (age adjusted)



B. By Age

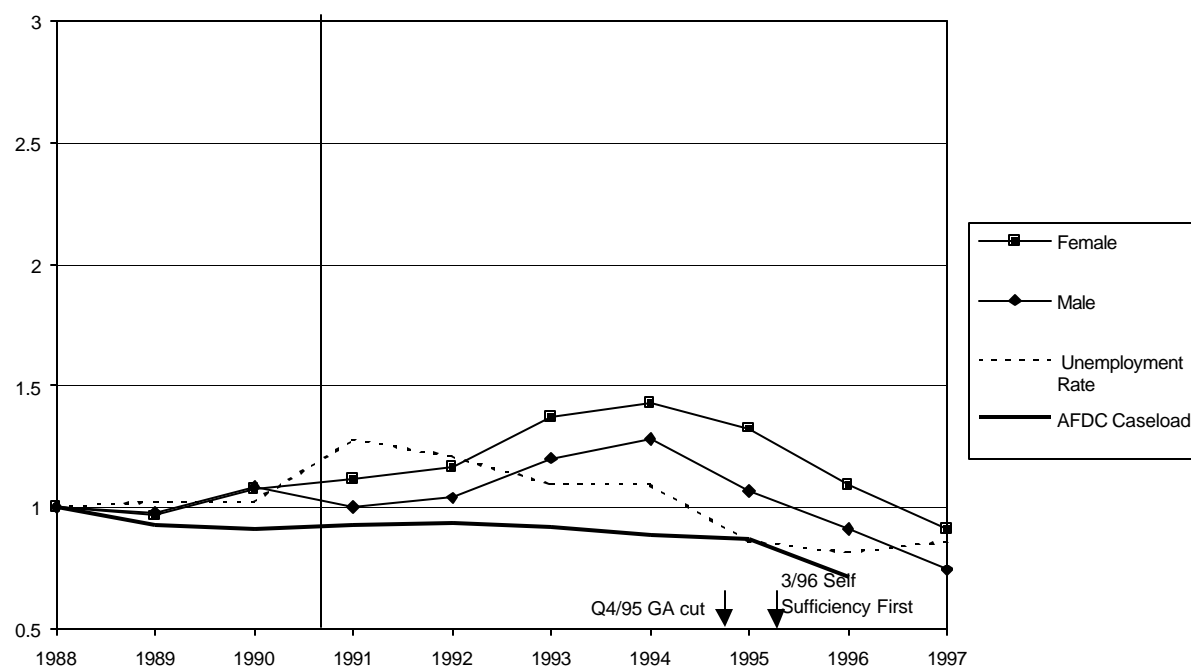


Source: The indices are calculated from SSA application data and population data from the Bureau of the Census. The vertical line between 1990 and 1991 represents a break in the source of the application tabulations. The unemployment index is calculated from Bureau of Labor Statistics data, and the AFDC caseload index is calculated from data provided by the Administration for Children and Families and population data. See the text for further details.

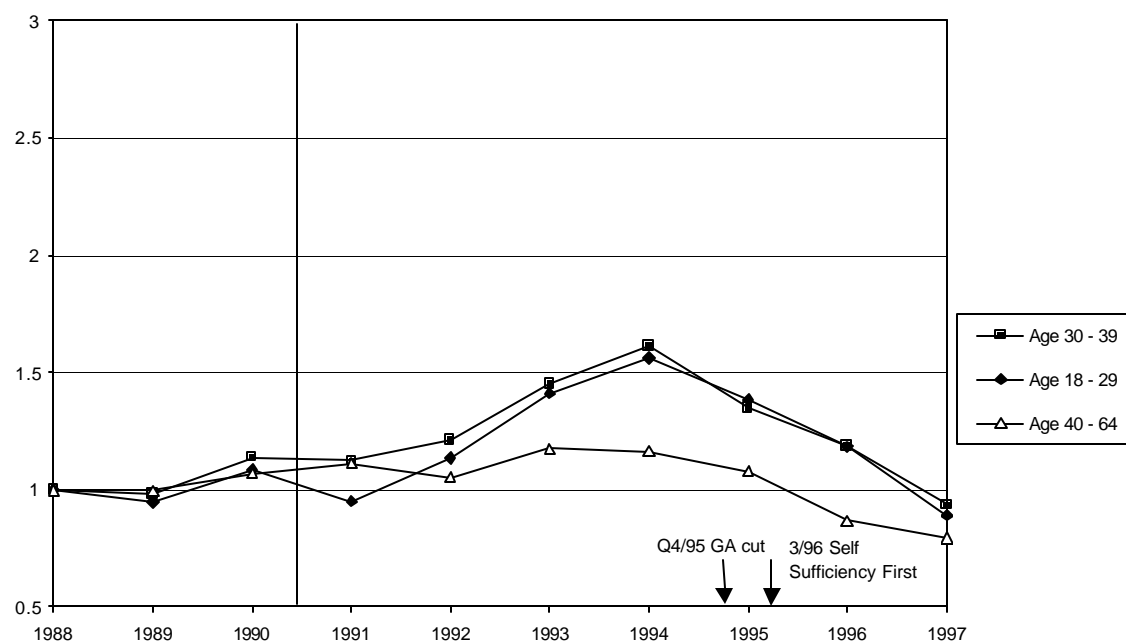
Ohio implemented a significant welfare reform initiative under federal waiver authority in July 1996. This initiative, Ohio First, provided significant incentives for employment including up-front job assessment and job search and expanded earned income disregards. Ohio First also limited benefits to all AFDC recipients, beginning in August 1996, to no more than 36 months of assistance in any 60-month period. After the passage of PROWRA, Ohio continued to operate its welfare program under the Ohio First waiver authority until the State implemented a new TANF program, Ohio Works First, in October 1997.

Appendix Exhibit D.5: Adult SSI Disability Application Indices in Wisconsin, 1988 – 1997

A. By Sex (age adjusted)



B. By Age



Source: The indices are calculated from SSA application data and population data from the Bureau of the Census. The vertical line between 1990 and 1991 represents a break in the source of the application tabulations. The unemployment index is calculated from Bureau of Labor Statistics data, and the AFDC caseload index is calculated from data provided by the Administration for Children and Families and population data. See the text for further details.

Wisconsin began its transition to an employment-based welfare system with the implementation of the federally approved Work Not Welfare demonstration project in Fond du Lac and Pierce Counties in January 1995. Work Not Welfare incorporated time-limited benefits and an immediate emphasis on returning to work or receiving the education and/or training necessary to join the workforce. Under this program, participants were not permitted to collect cash benefits for longer than 24 months and were required to begin working, or training necessary for work, within one month of the initial grant. After one year, participants were expected to be working in a private sector job or working in a sponsored public sector job in exchange for benefits. The State implemented the Work Not Welfare program statewide in March 1996, changing the name of the program to Self-Sufficiency First (SSF). In addition to carrying on the work requirements and time limits established under Work Not Welfare, SSF also mandated immediate referral to and enrollment in the JOBS program and set minimum standards of compliance with the JOBS program. SSF was also designed to explore alternatives to AFDC reciprocity prior to enrollment in the program. At the same time it implemented SSF, the State also implemented its Pay for Performance (PFP) waiver. PFP replicated the workplace by requiring participation in the JOBS program in exchange for benefits. Clients were required to participate in JOBS activities for at least 20 hours a week but no more than 40 hours per week, where their grant was a function of the number of hours “worked.” Participants who failed to meet these standards faced grant reductions equal to the minimum wage for each hour of noncompliance. Wisconsin operated its welfare program under its federally approved waivers until September 1997, when it implemented its TANF program, Wisconsin Works.

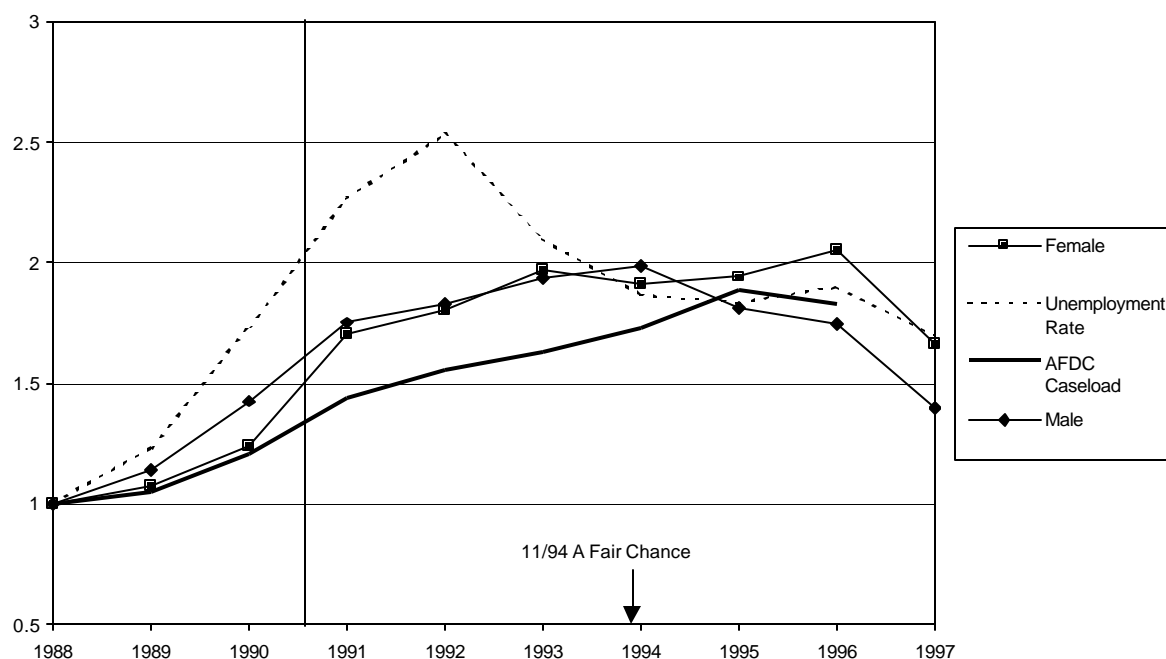
In contrast to the rest of the country’s, Wisconsin’s age-adjusted AFDC caseload index declined throughout the period under review. Wiseman (1996) thoroughly reviews the many policy changes that were implemented in Wisconsin over these periods. In summary, he concludes that much of the decline was due to benefit reductions that began in 1986, and a strong economy. We reached the same conclusion in a pooled time-series analysis of AFDC caseloads through 1994. It is possible that the AFDC benefit cuts in Wisconsin induce applications for SSI throughout this period. The benefit cuts were so gradually, however, it seems unlikely that we could detect the effect (see Wiseman, 1996).

A first wave of independence-oriented policy changes, beginning in 1987, may have had some impact on the caseload, but were more focused on helping recipients increase their earnings than on sanctioning those who failed to try, in part through Wisconsin’s version of the JOBS program. A second wave of policy changes was initiated in 1994. Most prominent is the Work Not Welfare demonstration project, which was implemented in Fond du Lac and Pierce Counties in January 1995. Work Not Welfare incorporated time-limited benefits and an immediate emphasis on returning to work or receiving the education and/or training necessary to join the workforce. Under this program, participants were not permitted to collect cash benefits for longer than 24 months and were required to begin working, or training necessary for work, within one month of the initial grant. After one year, participants were expected to be working in a private sector job or working a sponsored public sector job in exchange for benefits. The State implemented Work Not Welfare statewide in March 1996, changing the name of the program to Self-Sufficiency First (SSF). In addition to carrying on the work requirements and time limits established under Work Not Welfare, SSF also mandated immediate referral to and enrollment in the JOBS program and set minimum standards of compliance with the JOBS program. SSF was also designed to explore alternatives to AFDC reciprocity prior to enrollment in the program. At the same time it implemented SSF, the State also implemented its Pay for Performance (PEP)

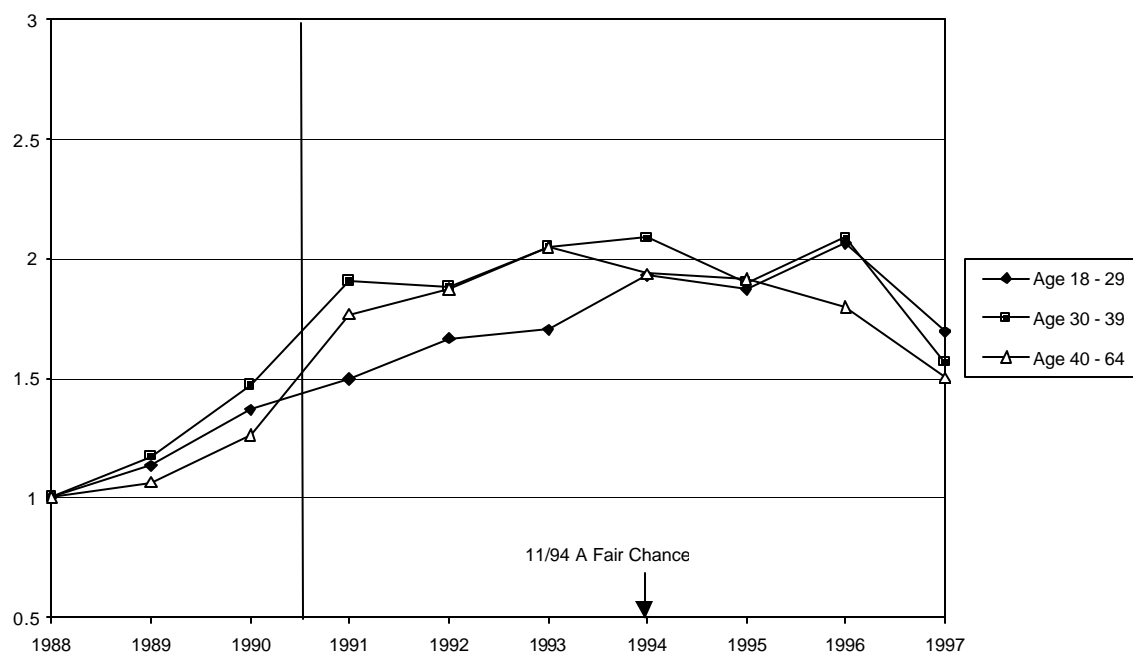
waiver. PEP replicated the workplace by requiring participation in the JOBS program in exchange for benefits. Clients were required to participate in JOBS activities for at least 20 hours a week but no more than 40 hours per week, where their grant was a function of the numbers of hours “worked.” Participants who failed to meet these standards faced grant reductions equal to the minimum wage for each hour of noncompliance. Wisconsin operated its welfare program under its federally approved waivers until September 1997, when it implemented its TANF program. Wisconsin Works.

Appendix Exhibit D.6: Adult SSI Disability Application Indices in Connecticut, 1988 – 1997

A. By Sex (age adjusted)



B. By Age

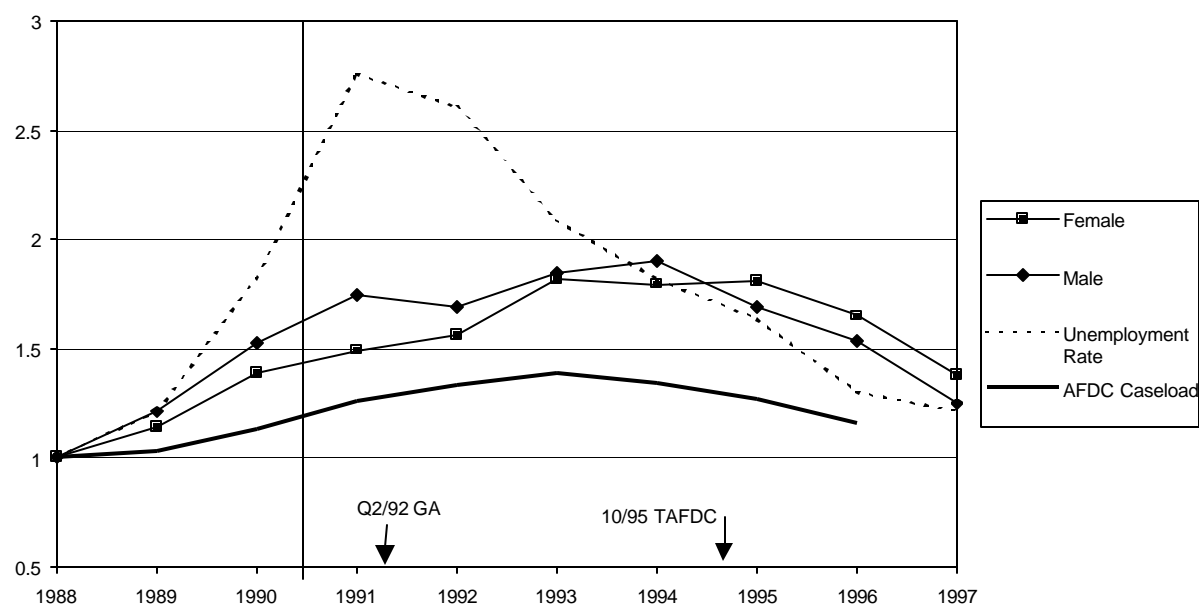


Source: The indices are calculated from SSA application data and population data from the Bureau of the Census. The vertical line between 1990 and 1991 represents a break in the source of the application tabulations. The unemployment index is calculated from Bureau of Labor Statistics data, and the AFDC caseload index is calculated from data provided by the Administration for Children and Families and population data. See the text for further details.

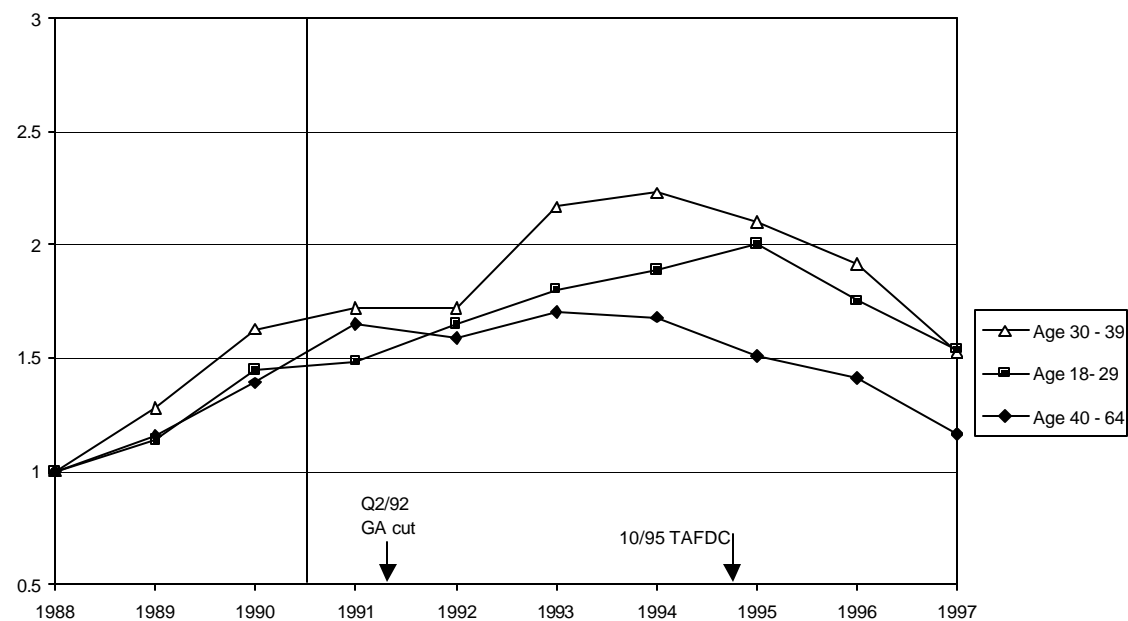
Connecticut began its welfare reform activities with the statewide implementation of its federally approved waiver program, A Fair Chance, in November 1994. A Fair Chance required work activity after 24 months of participation, starting with part-time work and requiring an increasing number of hours of employment as length of participation increased. The state provided subsidized employment opportunities to assist persons to re-enter the labor force. The program also introduced more liberal resource limits, removed time limits on earnings disregards, and extended the period of eligibility for transitional childcare and medical benefits to two years. JOBS exempted AFDC participants were exempted from the work requirements of A Fair Chance. In January 1996, Connecticut implemented a more comprehensive welfare reform program, Reach for Jobs First. This program limited AFDC payments to all mandatory JOBS participants to no more than 24 monthly payments in an 84-month period. State law exempted incapacitated adults, adults over 60 and adults caring for children under one year of age from the benefit time limit. In addition, Reach for Jobs First provided enhanced work incentives in the form of earnings disregards, transitional childcare and Medicaid, and job search and training assistance. Reach for Jobs also instituted a family cap providing only half the increase that normally would be granted for an additional household member to families who had children while on welfare.

Appendix Exhibit D.7: Adult SSI Disability Application Indices in Massachusetts, 1988 – 1997

A. By Sex (age adjusted)



B. By Age

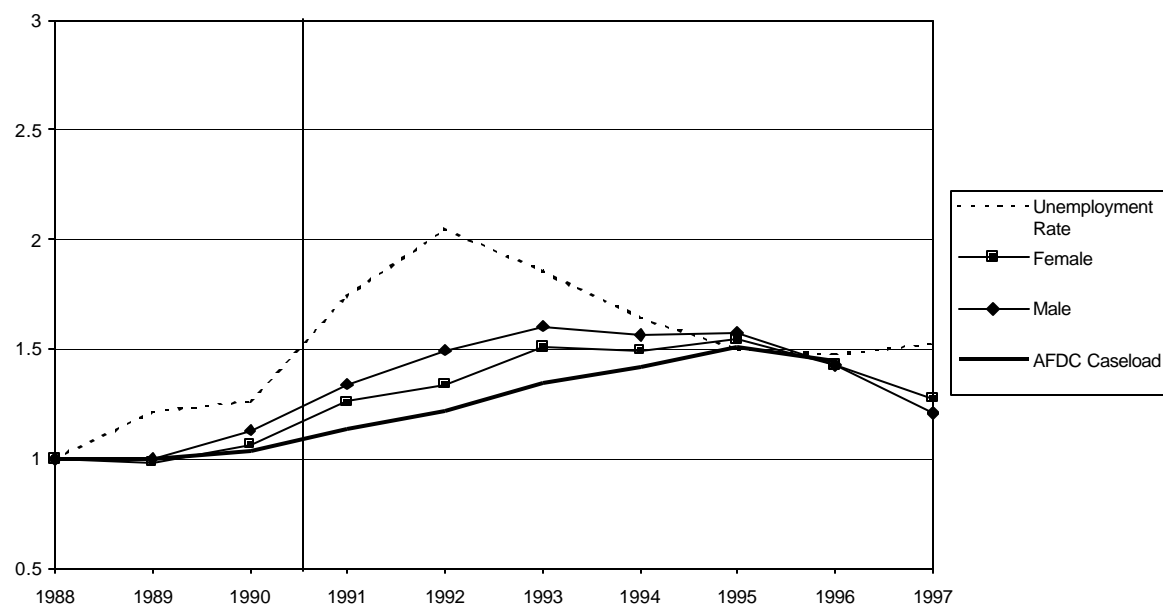


Source: The indices are calculated from SSA application data and population data from the Bureau of the Census. The vertical line between 1990 and 1991 represents a break in the source of the application tabulations. The unemployment index is calculated from Bureau of Labor Statistics data, and the AFDC caseload index is calculated from data provided by the Administration for Children and Families and population data. See the text for further details.

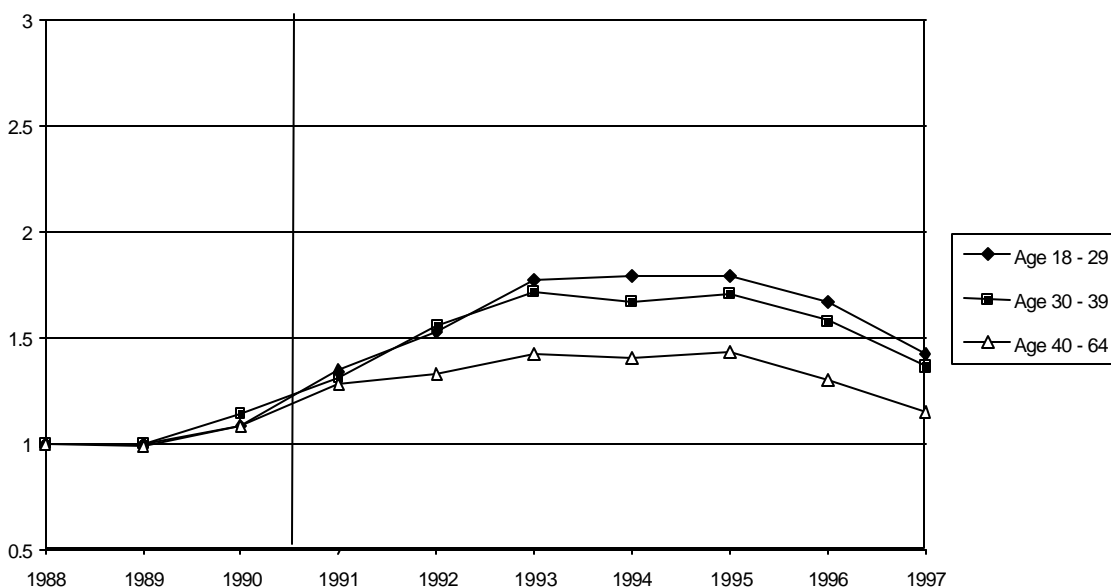
Massachusetts implemented its Transitional Aid to Families with Dependent Children (TAFDC) under federal waiver authority on November 1, 1995. The TAFDC program is the basis of the State's existing TANF program. TAFDC limits cash assistance to 24 months in a 60-month period for all non-exempt recipients. Exempt recipients include disabled parents, parents caring for disabled children, parents under 20 attending high school, and certain pregnant women and mothers with young children. In addition, TAFDC significantly modified AFDC benefits and eligibility rules. These changes included an expansion of the allowable level of assets; a family cap that provides no additional benefits for children born to recipients; and tightened paternity establishment and child support requirements. Perhaps most significantly, TAFDC requires all able-bodied TAFDC parents who are non-exempt and whose youngest child is of school age to work 20 hours per week. The program further requires that Able-bodied parents who seek but are unable to find employment spend a minimum of 20 hours in a community service position or some combination of work and community service.

Appendix Exhibit D.8: Adult SSI Disability Application Indices in New York, 1988 – 1997

A. By Sex (age adjusted)



B. By Age



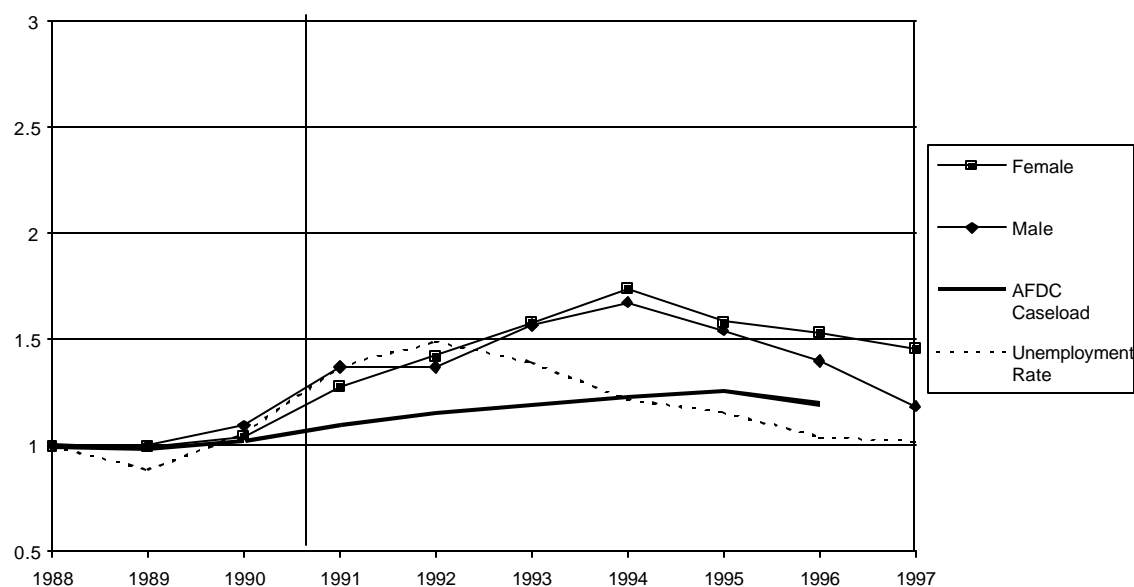
Source: The indices are calculated from SSA application data and population data from the Bureau of the Census. The vertical line between 1990 and 1991 represents a break in the source of the application tabulations. The unemployment index is calculated from Bureau of Labor Statistics data, and the AFDC caseload index is calculated from data provided by the Administration for Children and Families and population data. See the text for further details.

New York's first welfare reform demonstration project, the Child Assistance Program, began in 1988 as a voluntary alternative to AFDC. The Child Assistance Program entailed: expanded the earned-income and assets disregards; cash-out of Food Stamp and child care benefits; changes to benefit levels; transitional Medicaid eligibility; and strong incentives for welfare clients to obtain child support orders. Beginning in April 1994, the Child Assistance Program was operating in 14 sites throughout the State, including Brooklyn. In October 1994, New York gained DHHS approval to initiate a second demonstration, the Jobs First Demonstration, in six sites, including Erie County (Buffalo), Onondaga County (Syracuse), and Brooklyn. This demonstration was to provide enhanced work incentives as well as welfare diversion assistance. The extent to which this program was implemented prior to the passage of PROWRA is unclear.⁷¹

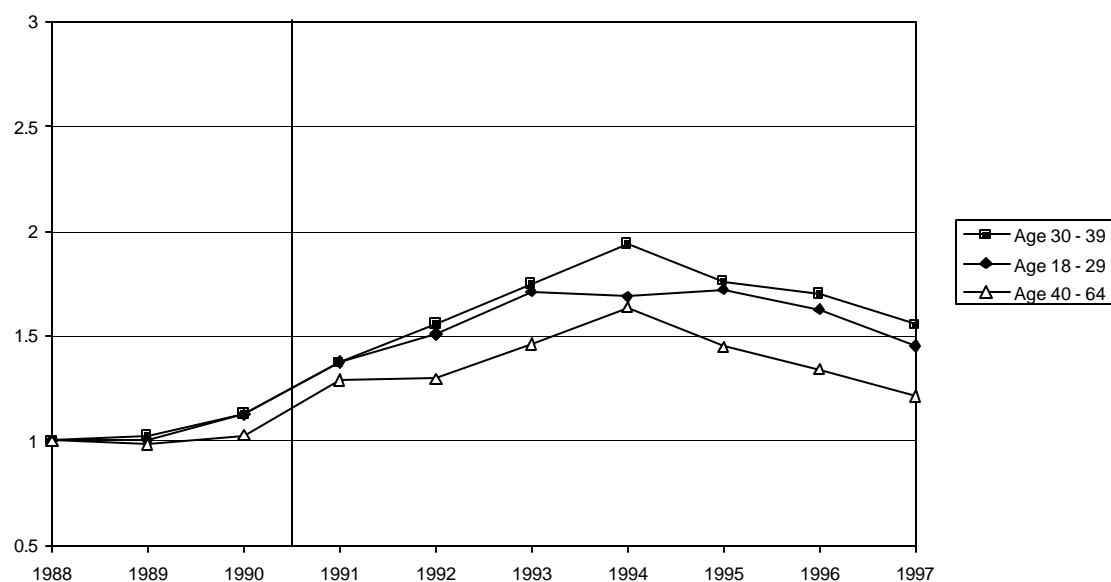
⁷¹ According to Michael Wiseman of the University of Wisconsin, implementation of Jobs First was on hold as of June 1996.

Appendix Exhibit D.9: Adult SSI Disability Application Indices in Pennsylvania, 1988 – 1997

A. By Sex (age adjusted)



B. By Age



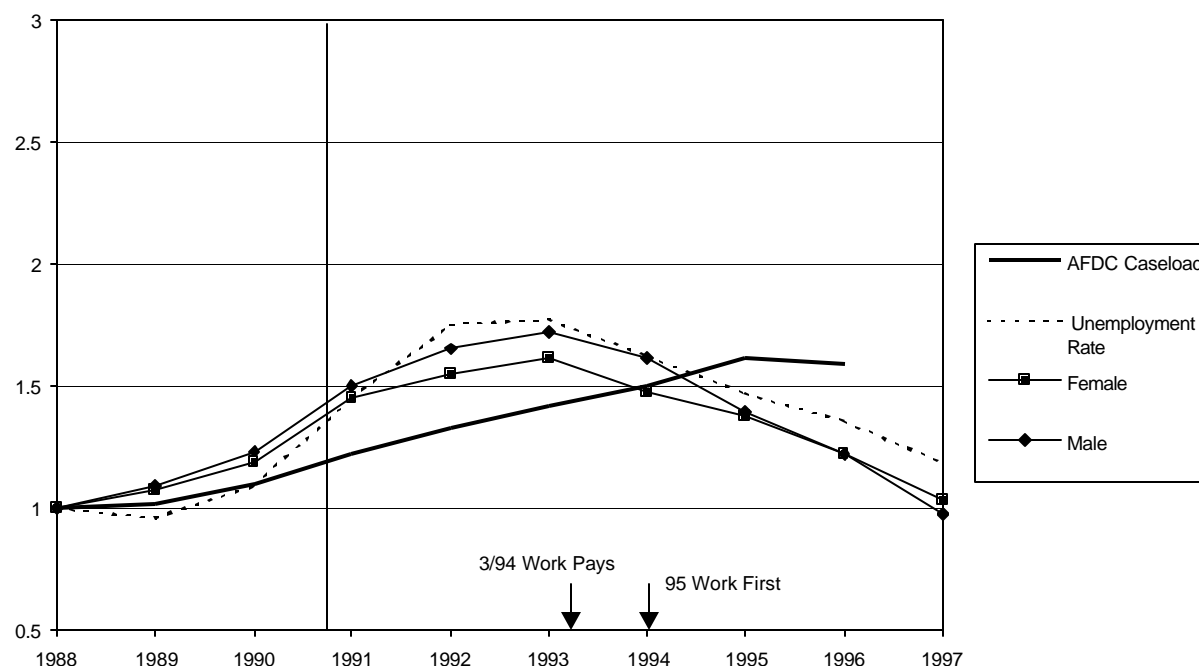
Source: The indices are calculated from SSA application data and population data from the Bureau of the Census. The vertical line between 1990 and 1991 represents a break in the source of the application tabulations. The unemployment index is calculated from Bureau of Labor Statistics data, and the AFDC caseload index is calculated from data provided by the Administration for Children and Families and population data. See the text for further details.

Pennsylvania received a waiver in November 1994 to implement the Pathways to Independence Program as a pilot program in Lancaster County. The extent to which this program was implemented prior to the passage of PROWRA is unclear.⁷²

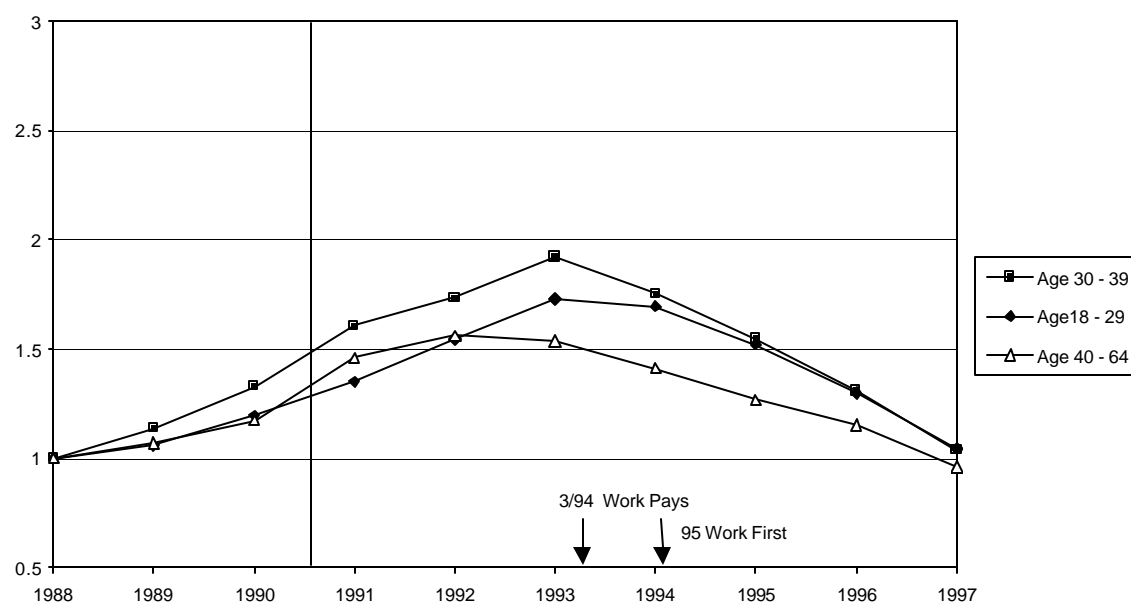
⁷² According to Michael Wiseman of the University of Wisconsin, implementation of Jobs First was on hold as of June 1996.

Appendix Exhibit D.10: Adult SSI Disability Application Indices in California, 1988 – 1997

A. By Sex (age adjusted)



B. By Age

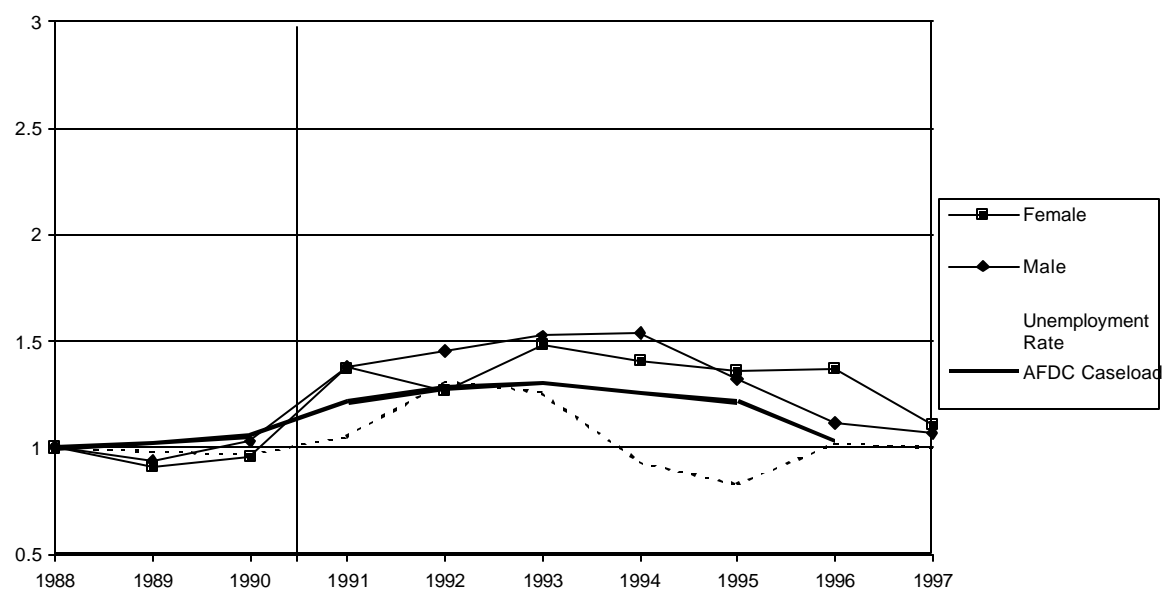


Source: The indices are calculated from SSA application data and population data from the Bureau of the Census. The vertical line between 1990 and 1991 represents a break in the source of the application tabulations. The unemployment index is calculated from Bureau of Labor Statistics data, and the AFDC caseload index is calculated from data provided by the Administration for Children and Families and population data. See the text for further details.

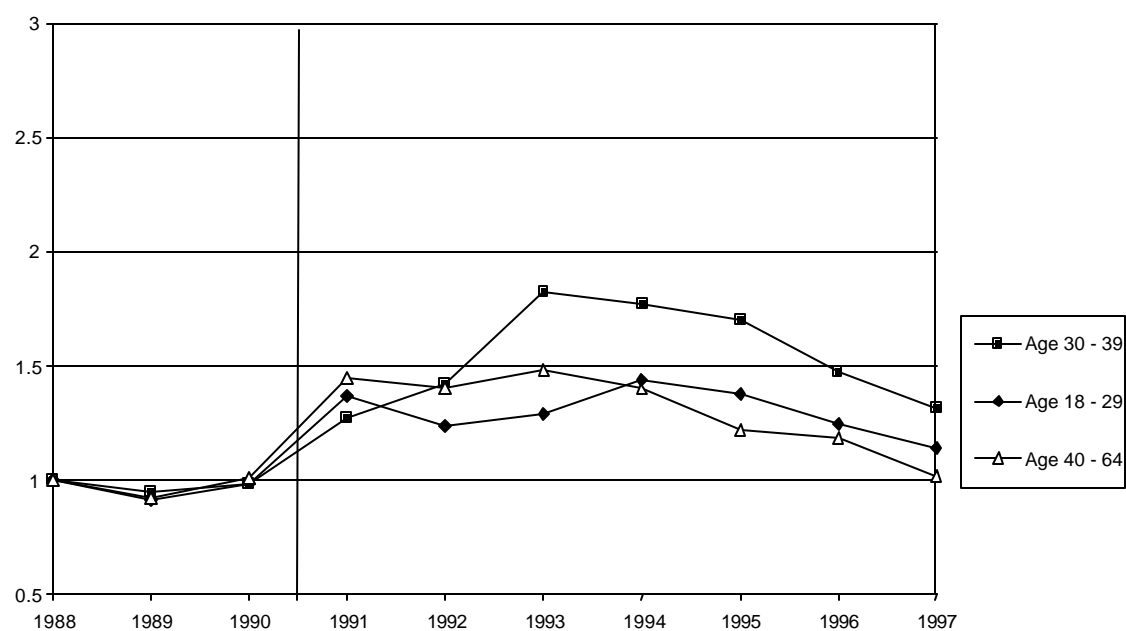
Prior to the enactment of federal welfare reform in 1996, California received and implemented four Section 1115 waivers for initiatives facilitating the movement of welfare recipients into the workforce. The most significant of California's Section 1115 waivers was the California Work Pays Demonstration Project. This statewide demonstration project included modifications to both the State's AFDC and JOBS programs. The most significant of the modifications included: expanded income and asset disregards; transitional childcare and Medicaid; an AFDC diversion program; a family cap barring benefit increases for children conceived while a family was receiving AFDC; and a requirement that all AFDC parents not exempted from GAIN and who had received AFDC for 22 of the last 24 months participate in 100 hours of community work experience per month. In 1995, the state legislature further mandated that all counties adopt a "work-first" model for their JOBS programs. The legislation also tightened the rules for granting parents with young children exemptions from GAIN and strengthened the ability of counties to sanction AFDC recipients who were required to participate in GAIN, but did not participate.

Appendix Exhibit D.11: Adult SSI Disability Application Indices in Oregon, 1988 – 1997

A. By Sex (age adjusted)



B. By Age

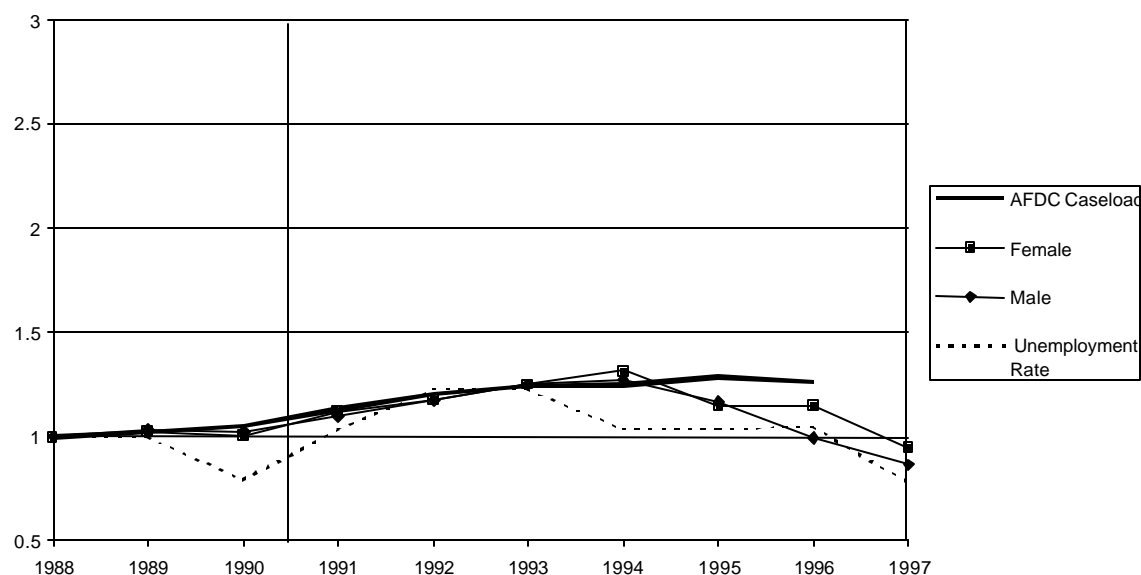


Source: The indices are calculated from SSA application data and population data from the Bureau of the Census. The vertical line between 1990 and 1991 represents a break in the source of the application tabulations. The unemployment index is calculated from Bureau of Labor Statistics data, and the AFDC caseload index is calculated from data provided by the Administration for Children and Families and population data. See the text for further details.

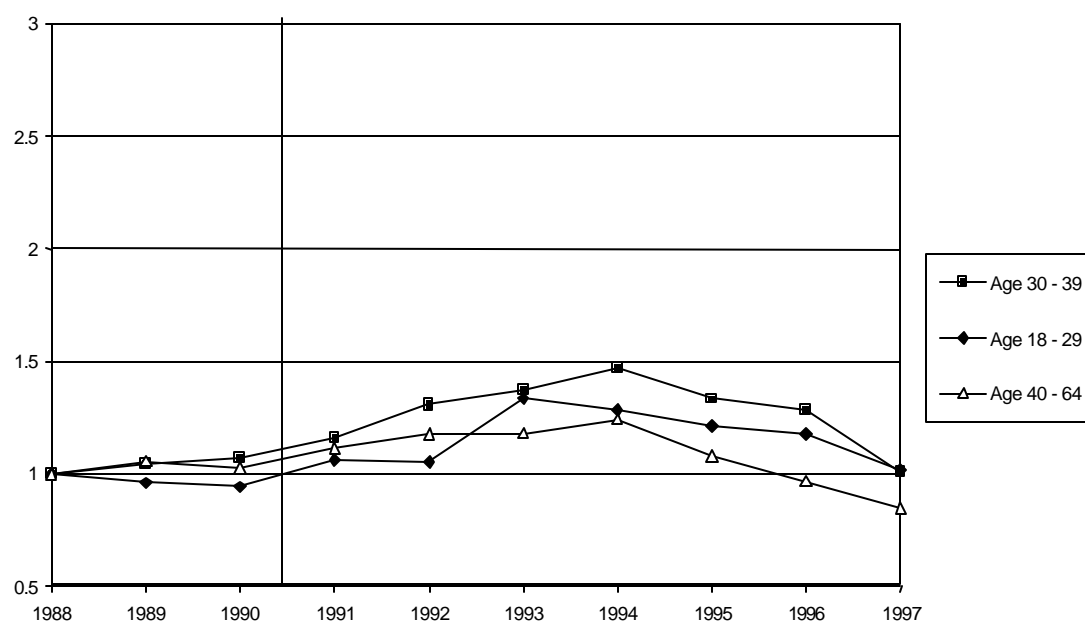
Oregon received federal waiver approval for the Oregon Option in March 1996 and implemented the program shortly thereafter. The Oregon Option consolidated job demonstration pilot programs approved in 1992 and 1994, implementing them statewide along with several other reforms aimed at promoting self-sufficiency. Currently, the Oregon Option waiver is also the basis for the State's TANF program. The Oregon Option limits AFDC payments to no more than 24 out of 84 months for families with employable parents. State law provides for a few exceptions to this provision, including parental incapacity, and allows case managers some latitude in determining whether a family should continue to receive assistance. The Oregon Option work program places participants in short-term public or private on-the-job training at the state minimum wage. It also provides enhanced work incentives in the form of increased asset disregards and transitional childcare. Accompanying these work incentives is the possibility of full family ineligibility for continued failure to comply with JOBS requirements.

Appendix Exhibit D.12: Adult SSI Disability Application Indices in Washington, 1988 – 1997

A. By Sex (age adjusted)



B. By Age

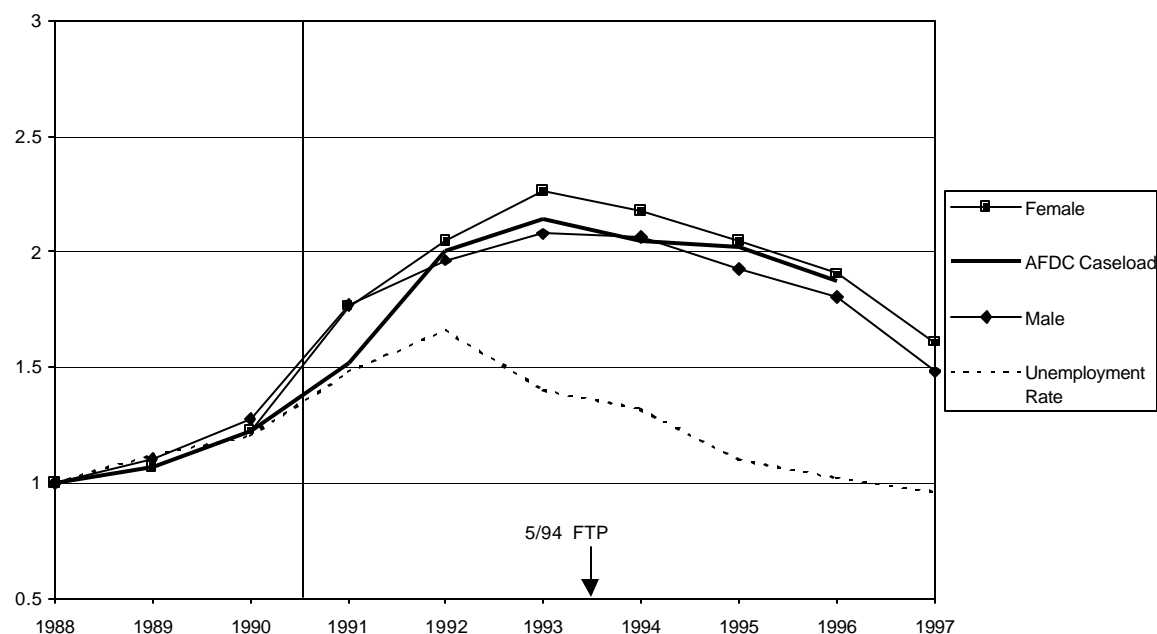


Source: The indices are calculated from SSA application data and population data from the Bureau of the Census. The vertical line between 1990 and 1991 represents a break in the source of the application tabulations. The unemployment index is calculated from Bureau of Labor Statistics data, and the AFDC caseload index is calculated from data provided by the Administration for Children and Families and population data. See the text for further details.

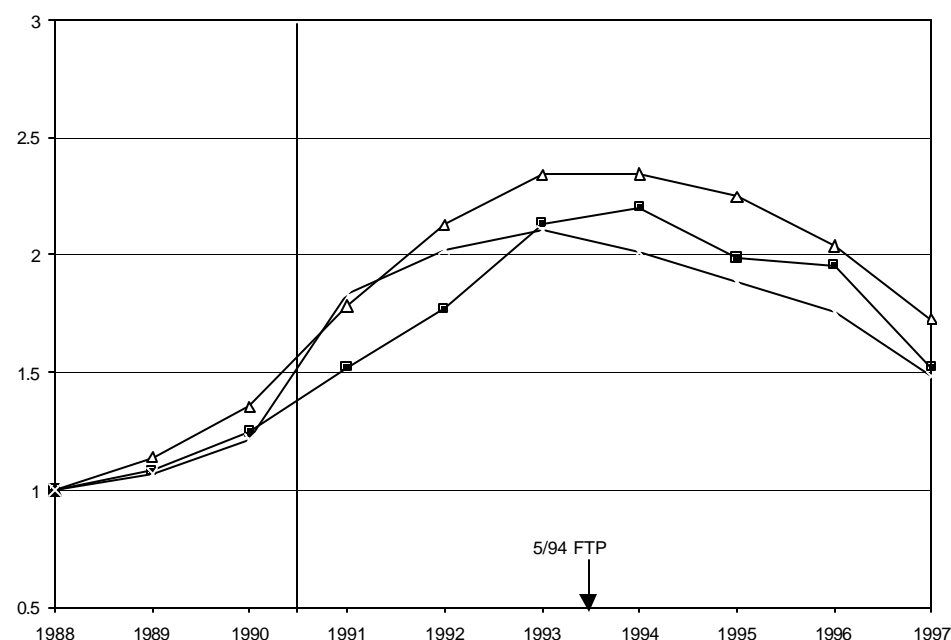
Washington received federal approval for its waiver program, Success through Employment Program (STEP), in September 1995 and implemented the program one-month later. The key component of STEP was a 10 percent grant reduction for AFDC recipients who had receive assistance for 48 out of 60 months. In addition, the program imposed an additional 10 percent reduction for every additional 12 months' of benefit receipt. Exempted from this penalty were participants working more than 30 hours per week, incapacitated participants, participants caring for incapacitated family members and families with children under the age of three. State law also allowed for extension of the time limit if participants showed a "good faith effort" to find work or if no jobs were available.

Appendix Exhibit D.13: Adult SSI Disability Application Indices in Florida, 1988 – 1997

A. By Sex (age adjusted)



B. By Age

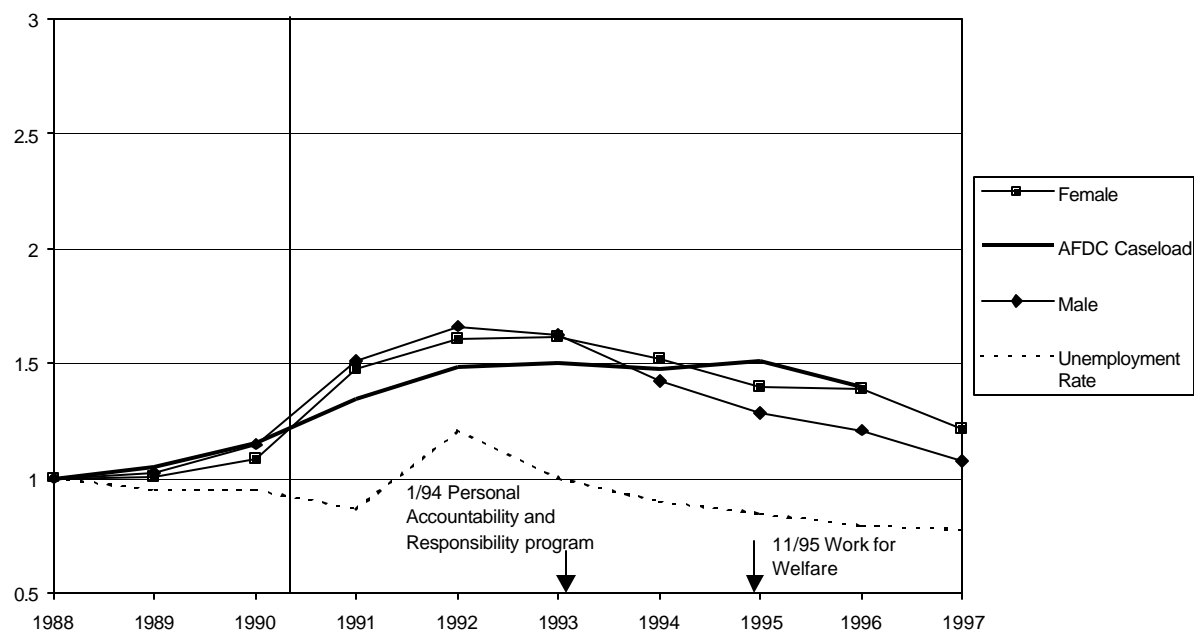


Source: The indices are calculated from SSA application data and population data from the Bureau of the Census. The vertical line between 1990 and 1991 represents a break in the source of the application tabulations. The unemployment index is calculated from Bureau of Labor Statistics data, and the AFDC caseload index is calculated from data provided by the Administration for Children and Families and population data. See the text for further details.

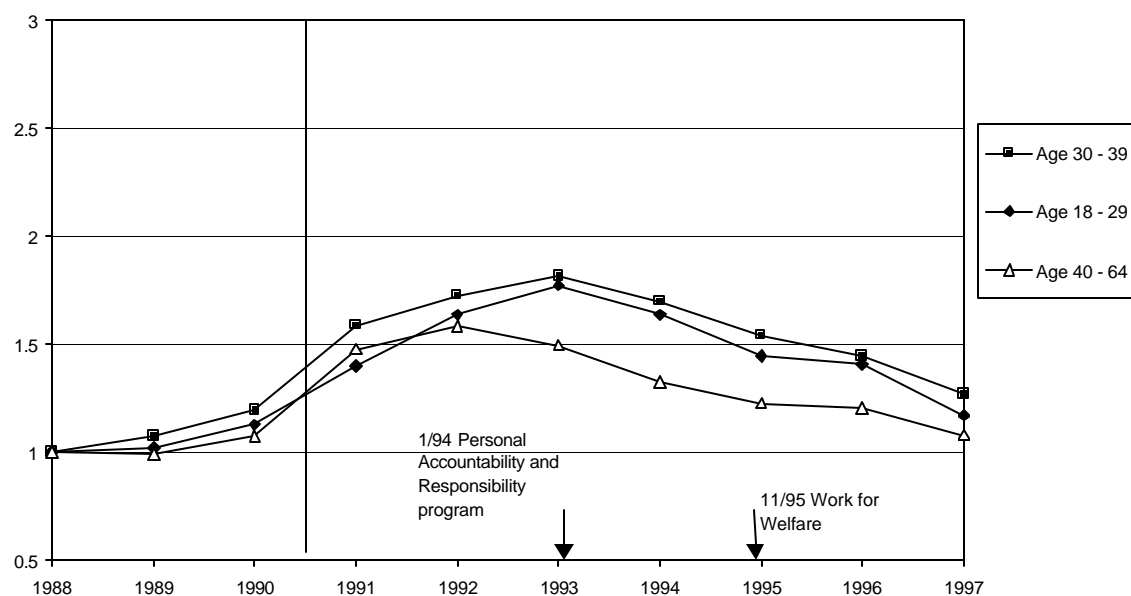
In May 1994, Florida implemented the Family Transition Program (FTP) under a federally approved waiver in Escambia and Alachua Counties. FTP combines time limited cash assistance with an array of enhanced services, parental responsibility requirements, and financial incentives designed to help recipients find and hold jobs. State law exempted several types of AFDC recipients from random assignment into either the study or the control group, including disabled or incapacitated adults and full-time caretakers of disabled dependent persons. In September 1995, the state received HHS approval to expand the program to six additional counties. The passage of the Work and Gain Economic Self-Sufficiency (WAGES) Act in the spring of 1996, however, resulted in the state abandoning FTP in Alachua County and the six add-on counties. FTP continues to operate in Escambia County as a demonstration project and will continue to operate through December 1999. FTP anticipated many of the welfare reform provisions included in PRWORA and also served a model for WAGES, Florida's statewide welfare reform that was implemented in October 1996.

Appendix Exhibit D.14: Adult SSI Disability Application Indices in Georgia, 1988 – 1997

A. By Sex (age adjusted)



B. By Age



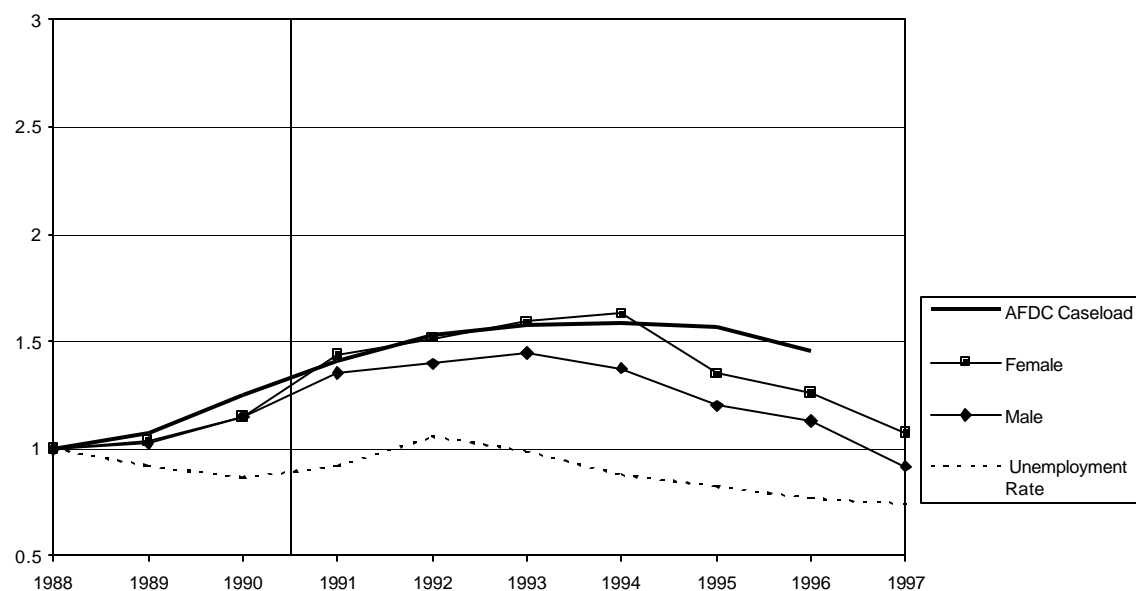
Source: The indices are calculated from SSA application data and population data from the Bureau of the Census. The vertical line between 1990 and 1991 represents a break in the source of the application tabulations. The unemployment index is calculated from Bureau of Labor Statistics data, and the AFDC caseload index is calculated from data provided by the Administration for Children and Families and population data. See the text for further details.

In November 1995, Georgia implemented its Work for Welfare Project as a pilot program in 10 counties. As of 1993, these counties accounted for over 141,000 AFDC cases.⁷³ This pilot required adults who had received aid for 24 of the prior 36 months to participate in 20 hours of work and/or job search activities per week. The program exempted all JOBS exempt AFDC recipients, families with children under age five, and adults already participating in JOBS. The Personal Accountability and Responsibility Project, an earlier statewide waiver, approved in November 1993, eliminated increases in AFDC benefits for children conceived while a family was receiving AFDC. It also required that able-bodied adults with no children under the age of 14 accept full-time employment. Refusal to accept full-time employment risked the adult's removal from the assistance unit.

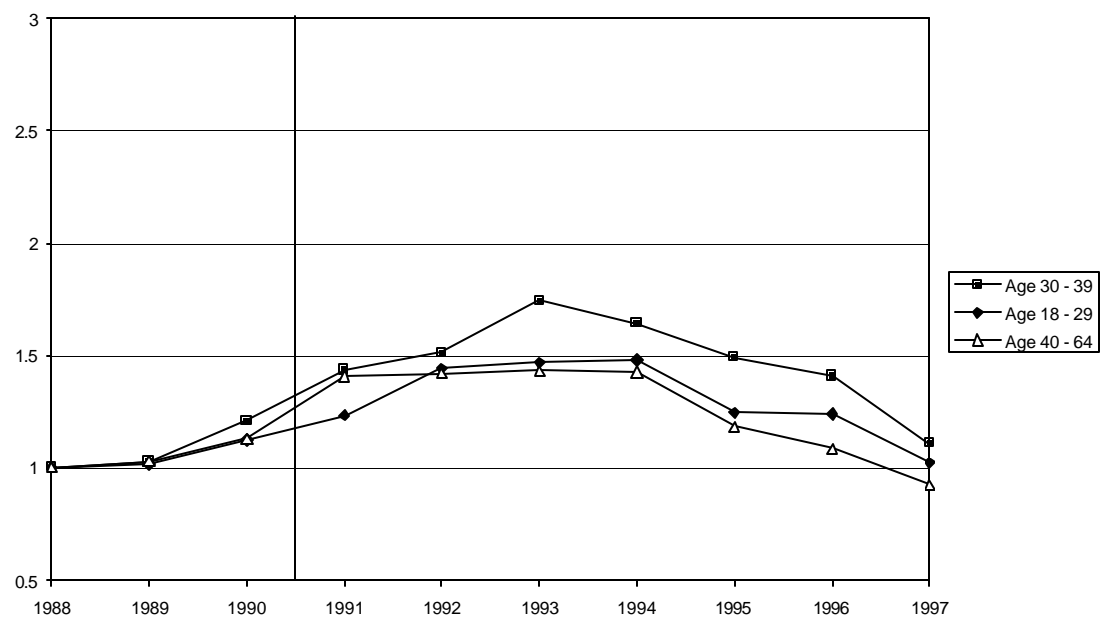
⁷³ Presentation by Michael Wiseman, University of Wisconsin given at the National Association of Welfare Research and Statistics, 1996 Annual Workshop.

Appendix Exhibit D.15: Adult SSI Disability Application Indices in Texas, 1988 – 1997

A. By Sex (age adjusted)



B. By Age



Source: The indices are calculated from SSA application data and population data from the Bureau of the Census. The vertical line between 1990 and 1991 represents a break in the source of the application tabulations. The unemployment index is calculated from Bureau of Labor Statistics data, and the AFDC caseload index is calculated from data provided by the Administration for Children and Families and population data. See the text for further details.

Texas is currently operating its TANF program under federally approved welfare waiver, Achieving Change for Texans (ACT), which it received in March 1996. Very few of ACT's provisions were implemented statewide prior to the passage of PRWORA.

**Appendix Exhibit D.16:
National Data, 1988 – 1997**

		1988	1989	1990	1991	1992	1993	1994	1995	1996	1997
Population (millions)	Female	76.4	77.0	77.6	78.3	79.0	79.7	80.4	81.1	81.9	82.7
	Male	74.5	75.2	76.0	76.7	77.6	78.3	79.0	79.8	80.6	81.5
	Age 18 - 29	48.7	48.0	47.4	46.8	46.1	45.4	44.7	44.3	44.0	44.0
	Age 30 - 39	40.5	41.2	42.0	42.7	43.3	43.8	44.1	44.1	43.9	43.4
	Age 40 - 64	61.8	63.0	64.2	65.5	67.2	68.8	70.6	72.5	74.5	76.8
SSI Applications (thousands)	Female	431.4	439.9	495.2	636.0	705.7	766.0	756.4	698.8	663.3	583.3
	Male	454.7	470.0	538.7	680.8	743.9	798.4	768.8	693.6	636.1	549.9
	Age 18 - 29	196.2	195.0	218.9	259.4	294.7	323.6	315.4	284.9	262.0	217.2
	Age 30 - 39	197.8	212.1	252.0	317.9	365.0	413.2	402.4	367.1	331.9	278.0
	Age 40 - 64	492.1	502.8	563.1	739.5	790.0	827.6	807.3	740.4	705.5	638.0
Total SSI Applications per 10,000 Population		58.7	59.8	67.3	85.0	92.6	99.0	95.7	86.5	80.0	69.0
Age-adjusted Applications per 10,000 Population		59.1	60.0	67.3	84.7	91.9	98.1	94.5	85.3	78.6	67.5
AFDC Caseload per 10,000 Population		42.4	42.9	45.6	50.6	54.2	56.1	56.1	56.6	53.4	
Unemployment Rate		5.5	5.3	5.6	6.9	7.5	6.9	6.1	5.6	5.4	5.0

Appendix Exhibit D.17: State Data, 1988 – 1997

			1988	1989	1990	1991	1992	1993	1994	1995	1996	1997
California	Applications per Expected Application	Female	1.04	1.12	1.24	1.52	1.62	1.69	1.54	1.44	1.28	1.08
		Male	1.04	1.13	1.28	1.56	1.72	1.78	1.68	1.45	1.27	1.01
		Age 18 - 29	0.87	0.92	1.04	1.17	1.34	1.50	1.47	1.32	1.12	0.91
		Age 30 - 39	1.00	1.14	1.33	1.61	1.74	1.93	1.76	1.55	1.31	1.04
		Age 40 - 64	1.14	1.22	1.34	1.66	1.78	1.75	1.61	1.44	1.31	1.09
	Unemployment Rate		5.30	5.10	5.80	7.70	9.30	9.40	8.60	7.80	7.20	6.30
	AFDC Caseload per 10,000 Population		1.24	1.26	1.36	1.52	1.64	1.76	1.86	2.00	1.97	
Connecticut	Applications per Expected Application	Female	0.55	0.59	0.68	0.94	0.99	1.08	1.05	1.07	1.13	0.91
		Male	0.58	0.66	0.82	1.01	1.05	1.12	1.14	1.04	1.00	0.81
		Age 18 - 29	0.70	0.80	0.96	1.05	1.17	1.20	1.36	1.32	1.45	1.19
		Age 30 - 39	0.64	0.75	0.93	1.21	1.20	1.30	1.33	1.21	1.33	1.00
		Age 40 - 64	0.48	0.51	0.61	0.85	0.90	0.99	0.93	0.92	0.87	0.73
	Unemployment Rate		5.20	6.80	7.60	6.30	5.60	5.50	5.70	5.10	5.70	5.10
	AFDC Caseload per 10,000 Population		0.69	0.73	0.84	1.00	1.07	1.13	1.19	1.31	1.27	
Florida	Applications per Expected Application	Female	0.89	0.95	1.09	1.57	1.82	2.01	1.94	1.82	1.70	1.43
		Male	0.93	1.02	1.18	1.64	1.83	1.93	1.92	1.79	1.68	1.38
		Age 18 - 29	0.90	0.97	1.12	1.37	1.59	1.92	1.98	1.79	1.76	1.37
		Age 30 - 39	0.93	1.06	1.26	1.66	1.99	2.18	2.19	2.10	1.90	1.61
		Age 40 - 64	0.91	0.97	1.10	1.67	1.84	1.91	1.82	1.71	1.60	1.34
	Unemployment Rate		5.00	5.60	6.00	7.40	8.30	7.00	6.60	5.50	5.10	4.80
	AFDC Caseload per 10,000 Population		0.60	0.64	0.73	0.90	1.19	1.27	1.22	1.20	1.11	
Indiana	Applications per Expected Application	Female	1.30	1.31	1.40	1.92	2.09	2.10	1.97	1.81	1.80	1.58
		Male	1.21	1.24	1.39	1.83	2.01	1.96	1.72	1.55	1.46	1.30
		Age 18 - 29	1.06	1.08	1.20	1.49	1.74	1.88	1.74	1.54	1.49	1.25
		Age 30 - 39	1.17	1.25	1.40	1.86	2.01	2.12	1.98	1.80	1.69	1.49
		Age 40 - 64	1.37	1.36	1.47	2.03	2.17	2.05	1.82	1.68	1.65	1.48
	Unemployment Rate		5.80	5.50	5.50	5.00	7.00	5.80	5.20	4.90	4.60	4.50
	AFDC Caseload per 10,000 Population		0.83	0.87	0.96	1.12	1.23	1.25	1.23	1.25	1.16	
Illinois	Applications per Expected Application	Female	1.06	1.06	1.16	1.49	1.69	1.73	1.65	1.38	1.14	1.00
		Male	1.28	1.31	1.45	1.80	2.13	2.16	2.01	1.56	1.18	1.05
		Age 18 - 29	1.26	1.29	1.50	1.86	2.26	2.54	2.56	2.02	1.54	1.20
		Age 30 - 39	1.27	1.38	1.57	1.98	2.58	2.61	2.49	1.89	1.44	1.19
		Age 40 - 64	1.10	1.07	1.14	1.44	1.53	1.50	1.35	1.14	0.94	0.92
	Unemployment Rate		6.80	6.00	6.20	7.20	7.60	7.50	5.70	5.20	5.30	4.70
	AFDC Caseload per 10,000 Population		1.17	1.12	1.15	1.23	1.25	1.28	1.33	1.38	1.34	
Iowa	Applications per Expected Application	Female	0.76	0.71	0.79	1.00	1.15	1.23	1.16	1.11	1.06	0.87
		Male	0.80	0.71	0.83	1.09	1.25	1.17	1.20	1.07	0.93	0.81
		Age 18 - 29	1.01	0.94	1.12	1.28	1.42	1.44	1.54	1.48	1.25	1.19
		Age 30 - 39	0.79	0.78	0.94	1.29	1.36	1.52	1.47	1.56	1.54	1.11
		Age 40 - 64	0.70	0.61	0.66	0.88	1.07	1.02	0.98	0.81	0.75	0.66
	Unemployment Rate		4.50	4.30	4.30	4.60	4.70	4.00	3.70	3.50	3.80	3.30
	AFDC Caseload per 10,000 Population		0.87	0.83	0.84	0.86	0.89	0.90	0.97	0.92	0.85	
Massachusetts	Applications per Expected Application	Female	0.76	0.71	0.79	1.00	1.15	1.23	1.16	1.11	1.06	0.87
		Male	0.80	0.71	0.83	1.09	1.25	1.17	1.20	1.07	0.93	0.81
		Age 18 - 29	1.01	0.94	1.12	1.28	1.42	1.44	1.54	1.48	1.25	1.19
		Age 30 - 39	0.79	0.78	0.94	1.29	1.36	1.52	1.47	1.56	1.54	1.11
		Age 40 - 64	0.70	0.61	0.66	0.88	1.07	1.02	0.98	0.81	0.75	0.66
	Unemployment Rate		3.30	4.00	6.00	9.10	8.60	6.90	6.00	5.40	4.30	4.00
	AFDC Caseload per 10,000 Population		0.84	0.87	0.94	1.06	1.12	1.16	1.13	1.07	0.97	
Michigan	Applications per Expected Application	Female	0.82	0.80	0.92	1.39	1.44	1.64	1.55	1.23	1.10	1.05
		Male	0.84	0.81	0.95	1.33	1.47	1.73	1.48	1.14	0.98	0.88
		Age 18 - 29	0.96	0.96	1.13	1.46	1.81	2.34	2.08	1.74	1.54	1.39
		Age 30 - 39	0.84	0.87	1.07	1.45	1.77	2.22	2.05	1.55	1.26	1.22
		Age 40 - 64	0.77	0.72	0.81	1.28	1.21	1.26	1.13	0.88	0.81	0.75
	Unemployment Rate		7.60	7.10	7.60	9.30	8.90	7.10	5.90	5.30	4.90	4.20
	AFDC Caseload per 10,000 Population		1.41	1.42	1.48	1.52	1.51	1.56	1.50	1.39	1.26	

Appendix Exhibit D.17: (Continued)
State Data, 1988 – 1997

			1988	1989	1990	1991	1992	1993	1994	1995	1996	1997
New York	Applications per Expected Application	Female	1.08	1.06	1.15	1.36	1.45	1.63	1.62	1.67	1.55	1.38
		Male	1.06	1.06	1.20	1.42	1.59	1.70	1.66	1.67	1.51	1.28
		Age 18 - 29	1.02	1.02	1.10	1.36	1.55	1.80	1.82	1.82	1.70	1.44
		Age 30 - 39	1.13	1.13	1.29	1.48	1.76	1.95	1.89	1.94	1.79	1.55
		Age 40 - 64	1.07	1.05	1.16	1.37	1.42	1.52	1.49	1.53	1.39	1.23
	Unemployment Rate		4.20	5.10	5.30	7.30	8.60	7.80	6.90	6.30	6.20	6.40
	AFDC Caseload per 10,000 Population		1.14	1.14	1.18	1.29	1.38	1.53	1.61	1.72	1.65	
Ohio	Applications per Expected Application	Female	0.91	0.91	1.02	1.34	1.53	1.62	1.58	1.47	1.34	1.09
		Male	0.88	0.90	1.04	1.35	1.45	1.58	1.44	1.27	1.13	0.91
		Age 18 - 29	1.08	1.07	1.21	1.57	1.83	2.08	2.12	1.91	1.88	1.37
		Age 30 - 39	0.97	1.01	1.20	1.57	1.88	2.15	2.01	1.78	1.60	1.33
		Age 40 - 64	0.79	0.80	0.90	1.18	1.23	1.25	1.14	1.06	0.92	0.79
	Unemployment Rate		6.00	5.50	5.70	6.40	7.30	6.50	5.50	4.80	4.90	4.60
	AFDC Caseload per 10,000 Population		1.30	1.29	1.32	1.43	1.53	1.50	1.45	1.39	1.29	
Oregon	Applications per Expected Application	Female	0.83	0.76	0.80	1.15	1.05	1.24	1.17	1.13	1.14	0.92
		Male	0.83	0.78	0.85	1.15	1.20	1.27	1.28	1.10	0.93	0.89
		Age 18 - 29	0.99	0.90	0.97	1.36	1.22	1.27	1.42	1.36	1.23	1.13
		Age 30 - 39	0.87	0.83	0.86	1.11	1.24	1.59	1.54	1.48	1.28	1.15
		Age 40 - 64	0.76	0.70	0.76	1.10	1.06	1.12	1.06	0.93	0.90	0.77
	Unemployment Rate		5.80	5.70	5.60	6.10	7.60	7.30	5.40	4.80	5.90	5.80
	AFDC Caseload per 10,000 Population		0.73	0.75	0.78	0.89	0.94	0.96	0.92	0.89	0.76	
Pennsylvania	Applications per Expected Application	Female	0.83	0.83	0.87	1.07	1.19	1.32	1.45	1.32	1.28	1.21
		Male	0.84	0.84	0.92	1.15	1.15	1.32	1.41	1.30	1.18	0.99
		Age 18 - 29	0.91	0.91	1.02	1.25	1.37	1.55	1.53	1.56	1.48	1.32
		Age 30 - 39	0.88	0.90	1.00	1.21	1.37	1.54	1.71	1.56	1.50	1.37
		Age 40 - 64	0.80	0.78	0.82	1.03	1.03	1.16	1.30	1.15	1.07	0.96
	Unemployment Rate		5.10	4.50	5.40	7.00	7.60	7.10	6.20	5.90	5.30	5.20
	AFDC Caseload per 10,000 Population		0.96	0.94	0.98	1.05	1.10	1.14	1.18	1.20	1.15	
Texas	Applications per Expected Application	Female	1.05	1.08	1.20	1.51	1.59	1.67	1.71	1.42	1.32	1.13
		Male	1.08	1.11	1.24	1.45	1.50	1.56	1.48	1.29	1.22	0.99
		Age 18 - 29	0.87	0.89	0.98	1.08	1.26	1.28	1.29	1.09	1.08	0.89
		Age 30 - 39	0.93	0.96	1.13	1.34	1.41	1.63	1.53	1.39	1.31	1.03
		Age 40 - 64	1.21	1.25	1.37	1.71	1.72	1.73	1.72	1.43	1.31	1.12
	Unemployment Rate		7.30	6.70	6.30	6.70	7.70	7.20	6.40	6.00	5.60	5.40
	AFDC Caseload per 10,000 Population		0.63	0.68	0.79	0.89	0.96	0.99	1.00	0.99	0.92	
Washington	Applications per Expected Application	Female	0.89	0.91	0.89	1.00	1.05	1.11	1.17	1.02	1.02	0.85
		Male	0.89	0.92	0.91	0.98	1.05	1.11	1.14	1.04	0.89	0.77
		Age 18 - 29	1.06	1.02	0.99	1.12	1.11	1.41	1.36	1.28	1.24	1.07
		Age 30 - 39	0.92	0.96	0.99	1.07	1.20	1.27	1.35	1.23	1.18	0.93
		Age 40 - 64	0.82	0.86	0.84	0.91	0.96	0.96	1.01	0.88	0.79	0.69
	Unemployment Rate		6.20	6.20	4.90	6.40	7.60	7.60	6.40	6.40	6.50	4.80
	AFDC Caseload per 10,000 Population		1.01	1.03	1.06	1.15	1.22	1.26	1.26	1.31	1.28	
Wisconsin	Applications per Expected Application	Female	0.85	0.82	0.91	0.95	0.99	1.17	1.21	1.13	0.93	0.77
		Male	0.89	0.87	0.97	0.89	0.92	1.07	1.14	0.95	0.81	0.66
		Age 18 - 29	1.20	1.14	1.30	1.14	1.36	1.69	1.87	1.66	1.42	1.07
		Age 30 - 39	0.98	0.96	1.12	1.10	1.19	1.43	1.58	1.33	1.17	0.92
		Age 40 - 64	0.69	0.69	0.74	0.77	0.73	0.81	0.80	0.74	0.60	0.55
	Unemployment Rate		4.30	4.40	4.40	5.50	5.20	4.70	4.70	3.70	3.50	3.70
	AFDC Caseload per 10,000 Population		1.14	1.06	1.04	1.05	1.06	1.04	1.00	0.99	0.81	

Appendix Exhibit D.18:
Comparison of Adult SSI Disability Applications per 10,000 Population Based on
Application Tabulations from Two Sources

	Female			Male		
	10% SSR 1/	DRF 2/	Difference	10% SSR 1/	DRF 2/	Difference
1991	78.64	81.25	0.03	87.44	88.76	0.01
1992	86.66	89.32	0.03	94.04	95.90	0.02
Growth	10.19%	9.93%	0.26	7.56%	8.04%	0.49

1/ These data were tabulated by SSA staff from the 10% Supplemental Security Record.

2/ These data were tabulated from 100% of the applications records in the Office of Disabilities, Disability Research File. See Lewin (1995b).

APPENDIX EXHIBIT D.19 VARIABLE DEFINITIONS

DEPENDENT VARIABLES				
Variable	Description	Data	Construction	Dates
DLNA1829	Change in the natural log of annual applications from 18 to 29- year-olds.	Annual applications data from SSA <i>Disability Research File 2 Tabulations</i> (1988- 1990) and SSA <i>10% Supplemental Security Record Tabulations</i> (1991- 1997)	Change in the log of annual applications divided by expected annual applications in the age group from the previous to current year.	1989-1996
DLNA3039	Change in the natural log of annual applications from 30 to 39- year-olds.	Annual applications data from SSA <i>Disability Research File 2 Tabulations</i> (1988- 1990) and SSA <i>10% Supplemental Security Record Tabulations</i> (1991- 1997)	Change in the log of annual applications divided by expected annual applications in the age group from the previous to current year.	1989-1996
DLNA4064	Change in the natural log of annual applications from 40 to 64- year-olds.	Annual applications data from SSA <i>Disability Research File 2 Tabulations</i> (1988- 1990) and SSA <i>10% Supplemental Security Record Tabulations</i> (1991- 1997)	Change in the log of annual applications divided by expected annual applications in the age group from the previous to current year. Applications from 40 to 64- year-olds are calculated by subtracting applications from 18 to 39-year-olds from the total male and female applications.	1989-1996
DLNFAPP	Change in the natural log of annual applications from females.	Annual applications data from SSA <i>Disability Research File 2 Tabulations</i> (1988- 1990) and SSA <i>10% Supplemental Security Record Tabulations</i> (1991- 1997)	Change in the log of annual applications divided by expected annual applications among females from the previous to the given year.	1989-1996
DLNMAPP	Change in the natural log of annual applications from males	Annual applications data from SSA <i>Disability Research File 2 Tabulations</i> (1988- 1990) and SSA <i>10% Supplemental Security Record Tabulations</i> (1991- 1997)	Change in the log of annual applications divided by expected annual applications among females from the previous to the given year.	1989-1996

“EXPECTED” APPLICATION VARIABLES				
Variable	Description	Data	Construction	Dates
EA1829	Expected applications from 18 to 29-year-olds in a given state in a given year. Used to calculate the final dependent variable in regression.	Annual applications data from <i>SSA Disability Research File 2 Tabulations</i> (1988- 1990) and <i>SSA 10% Supplemental Security Record Tabulations</i> (1991- 1997)	National application rate in 1988 (Applications from the age group/ Population of that age group) times the population of the state in a given year.	1989-1996
EA3039	Expected applications from 30 to 39- year-olds in a given year. to calculate the final dependent variable in regression.	Annual applications data from <i>SSA Disability Research File 2 Tabulations</i> (1988- 1990) and <i>SSA 10% Supplemental Security Record Tabulations</i> (1991- 1997)	National application rate in 1988 (Applications from the age group/ Population of that age group) times the population of the state in a given year.	1989-1996
EA4064	Expected applications from 40 to 64- year-olds in a given year. Used to calculate the final dependent variable in regression.	Annual applications data from <i>SSA Disability Research File 2 Tabulations</i> (1988- 1990) and <i>SSA 10% Supplemental Security Record Tabulations</i> (1991- 1997)	National application rate in 1988 (Applications from the age group/ Population of that age group) times the population of the state in a given year.	1989-1996
EAF	Expected applications from females in a given year. Used to calculate the final dependent variable in regression.	Annual applications data from <i>SSA Disability Research File 2 Tabulations</i> (1988- 1990) and <i>SSA 10% Supplemental Security Record Tabulations</i> (1991- 1997)	Sum across age groups of the national application rate for women in each age group(18- 29, 30-39, 40- 64) in 1988 (female applications/ Female population) times the female population of the state in the age group in a given year.	1989-1996
EAM	Expected applications from males in a given year. Used to calculate the final dependent variable in regression.	Annual applications data from <i>SSA Disability Research File 2 Tabulations</i> (1988- 1990) and <i>SSA 10% Supplemental Security Record Tabulations</i> (1991- 1997)	Sum across age groups of the national application rate for men in each age group (18- 29, 30 – 39, 40 – 64) in 1988 (Male applications, / Male population) times the male population of the state in the age group in a given year.	1989-1996

DEMOGRAPHIC VARIABLES				
Variable	Description	Data	Construction	Dates
Population Characteristics				
FPOPxxxx, MPOPxxxx, and TPOPxxxx Variables	Multiple state population measures by age and sex (female, male, and total), where FPOP is female population, MPOP is male population, TPOP is total population, and xxxx is the age range of the variable [e.g., FPOP2024 (females aged 20-24), MPOPLT5 (males aged 0-4), TPOPGE65 (total population 65 and over), TOTPOP (total population)].	U.S. Census Bureau Estimates of the Population of the U.S., Regions, Divisions, and States by 5-Year Age Groups and Sex data were downloaded from Bureau of Census web page. http://www.census.gov/population/www/es/imates/statepop.html	Age brackets for female, male, and total population data are: 0-4 years, 5-9 years, 10-14 years, 15-19 years, 20-24 years, 25-29 years, 30-34 years, 35-39 years, 40-44 years, 45-49 years, 50-54 years, 55-59 years, 60-64 years, 65-69 years, 70-74 years, 75-79 years, 80-84 years, and over 85 years; 16-24 years, 25-34 years, 35-44 years, 45-54 years, 55-64 years, and over 65 years. Age brackets for total population data also include: 45-64 years, 65-74 years, and over 75 years. Population for age bracket 18-29 year is derived by multiplying the population from age bracket 15 – 19 years by 2/5. Annual state population data expanded to a quarterly series using SAS/ETS PROC EXPAND with observed= middle and method= spline options.	1976.1-1997.4
IMMGTOTL	Estimated total immigration by state in given quarter.	Total number of legal immigrants in given fiscal year, 1989-1994, obtained from the Immigration and Naturalization Service. http://www.ins.usdoj.gov/	Fiscal year data expanded to a quarterly series using SAS/ETS PROC EXPAND with from=year.10, observed=total, method=join, and transformout=(floor>=0) options.	1978.1-1996.4
IMMGIRCA	Estimated total number of illegal aliens legalized under the Immigration Reform and Control Act of 1986 by state in given quarter.	Illegal aliens per capita legalized under IRCA-1986 in given fiscal year, 1989-1994, obtained from the Immigration and Naturalization Service. http://www.ins.usdoj.gov/	Fiscal year data expanded to a quarterly series using SAS/ETS PROC EXPAND with from=year.10, observed=total, method=join, and transformout=(floor>=0) options. Expanded series then divided by expanded total state population.	1989.1-1996.4
AIDSNM	AIDS cases and annual incidence rates per 100,000 population	Data obtained from Centers for Disease Control, HIV/AIDS Surveillance Report, selected years 1985-1997. http://www.cdc.gov/nchstp/hiv_aids/stats/asrlink.htm	No adjustment is made to the data.	1985-1997

DEMOGRAPHIC VARIABLES (CONTINUED)				
Variable	Description	Data	Construction	Dates
Vital Statistics				
MARRIAGE	Natural log of marriages by state in given quarter.	Annual number of marriages by state, 1978-1994, obtained from various Vital and Health Statistics publications, NCHS.	Annual values were interpolated for some years in some states when data were unavailable. Annual data are expanded to a quarterly series using SAS/ETS PROC EXPAND with observed=total and method=spline options.	1978.1-1994.4
DIVORCE	Natural log of divorces by state in given quarter.	Annual number of divorces by state, 1978-1994, obtained from various Vital and Health Statistics publications, NCHS.	Annual values were interpolated for some years in some states when data were unavailable. Annual data are expanded to a quarterly series using SAS/ETS PROC EXPAND with observed=total and method=spline options.	1978.1-1994.4
OOWBIRTH	Natural log of out-of-wedlock births by state in given quarter.	Annual number of out-of-wedlock by state, 1978-1994, obtained from various Vital and Health Statistics publications, NCHS.	Annual data are expanded to a quarterly series using SAS/ETS PROC EXPAND with observed=total and method=spline options.	1978.1-1994.4

LABOR MARKET VARIABLES				
Variable	Description	Data	Construction	Dates
TOTEMPPC	Natural log of employment per capita ages 16-64 in given quarter.	Data used in creation of variable: 1) Quarterly employment rate data by state, 1976.1-1995.4, obtained from Current Employment Statistics, Bureau of Labor Statistics. 2) Annual state population data by age and sex obtained from the Bureau of the Census.	Equal to natural logarithm of the ratio of total employment per 1000 people ages 16-64.	1976.1-1994.4
URATE	Natural Log of state unemployment rate in a given quarter	Data obtained from Local Area Unemployment Statistics at the Bureau of Labor Statistics website. http://WWW.BLS.GOV/sahome.html	Equal to natural logarithm of the non-seasonally adjusted unemployment rate in each state in each quarter.	1978.1-1997.12
TRADE	Natural log of trade employment in given quarter.	Monthly trade employment rate data by state, 1976.1-1995.4, obtained from Current Employment Statistics, Bureau of Labor Statistics.	Quarterly figures are obtained from averaging monthly rates.	1976.1-1997.4
TRADEPC	Natural log of trade employment per capita ages 16-64 in given quarter.	Data used in creation of variable: 1) Monthly trade employment rate data by state, 1976.1-1995.4, obtained from Current Employment Statistics, Bureau of Labor Statistics. 2) Annual state population data by age and sex obtained from the Bureau of the Census.	Equal to natural logarithm of the ratio of trade employment per 1000 people ages 16-64.	1976.1-1997.4
MANUFACT	Natural log of manufacturing employment in given quarter.	Quarterly manufacturing employment rate data by state, 1976.1-1995.4, obtained from Current Employment Statistics, Bureau of Labor Statistics.	No adjustments made before taking log of raw data.	1976.1-1994.4
MANFCTPC	Natural log of manufacturing employment per capita ages 16-64 in given quarter.	Data used in creation of variable: 1) Quarterly manufacturing employment rate data by state, 1976.1-1995.4, obtained from Current Employment Statistics, Bureau of Labor Statistics. 2) Annual state population data by age and sex obtained from the Bureau of the Census.	Equal to natural logarithm of the ratio of manufacturing employment per 1000 people ages 16-64.	1976.1-1994.4

LABOR MARKET VARIABLES (CONTINUED)				
Variable	Description	Data	Construction	Dates
RTLWAGE	Natural log of the real average weekly retail wage in given quarter (1990 dollars).	ES-202 annual state data series, 1978-1994, obtained from the Bureau of Labor Statistics. Contact: Mike Buso, (202) 606-6567.	Annual data are expanded to a quarterly series using SAS/ETS PROC EXPAND observed=average and method=spline options. Nominal dollar values deflated by regional CPI-U's (1990=100).	1978.1-1994.4
MANWAGE	Natural log of the real average weekly manufacturing wage (1990 dollars).	ES-202 annual state data series, 1978-1994, obtained from the Bureau of Labor Statistics. Contact: Mike Buso, (202) 606-6567.	Annual data are expanded to a quarterly series using SAS/ETS PROC EXPAND observed=average and method=spline options. Nominal dollar values deflated by regional CPI-U's (1990=100).	1978.1-1994.4
UINSUR	Log of the quotient of the insured unemployment rate divided by the unemployment rate.	Quarterly total and insured unemployment rate data by state from the Bureau of Labor Statistics via BLS web site.	Variable calculated by dividing insured unemployment rate by total unemployment rate and taking log of the resulting quotient.	1978.1-1995.4
CPI90	CPI-U's for four Census regions, 1990=100.	Data for regional CPI were downloaded from the Bureau of Labor Statistics web site.	Base changed from 1982-1984=100 to 1990=100.	1978.1-1998.4
LFP	Labor Force Participation in a given year.	Monthly and annual labor force participation data by state, 1978.1 – 1998.10, obtained from Local Area Unemployment Statistics, Bureau of Labor Statistics website.	No adjustment made.	1978.1-1998.10
LFPR	Log of labor force participation per capita ages 16 – 64 in a given year.	Data used in creation of the variable: 1) Monthly and annual labor force participation data by state, 1978.1 – 1998.10, obtained from Local Area Unemployment Statistics, Bureau of Labor Statistics website. 2) Annual state population data by age and sex from the Bureau of the Census website.	Natural logarithm of the ratio of persons participating in the labor force per 1,000 people in ages 16 – 64.	1978.1-1998.10

AFDC PROGRAM VARIABLES				
Variable	Description	Data	Construction	Dates
AFDC and Food Stamp Program Benefit Variables				
MMB	Natural log of maximum monthly benefit including the value of Food Stamps payable to a three-person AFDC family during given quarter (1990 dollars).	Data used in creation of variable: 1) Typical maximum monthly AFDC benefit data compiled annually prior to 1982.3 and quarterly thereafter by the Administration for Children and Families (ACF). 2) Annual fiscal year Food Stamp maximum benefit and standard deduction data obtained from Food Stamp Program Information Division, Programs Reports and Analysis Branch.	Equal to the nominal maximum monthly AFDC benefit for a three person family plus the nominal value of Food Stamps awarded when net income equals the maximum monthly AFDC benefit. Deflated to real dollars using the regional CPI-U (1990=100).	1979.1 - 1997.4
MAXPAY	Natural log of typical maximum monthly AFDC benefit payable to a three-person family during given quarter (1990 dollars). ⁷⁴	Data are annual from 1979-1983 and quarterly thereafter. Data were obtained from the Administration for Children and Families (ACF). Contact: Evelyn Mills, (202) 401-4055. Semi-annual maximum monthly AFDC benefit data compiled from 1979 to 1994 also obtained from the Congressional Research Service (CRS).	Quarterly values were interpolated from annual data from 1979-1983 based on analysis of trends in typical maximum payments after 1983.). The ACF data were checked against the CRS maximum monthly data. When a discrepancy appeared between the two series, an effort was made to explain the discrepancy and include the appropriate data. Deflated to real dollars using the regional CPI-U (1990=100).	1979.1-1994.4
NEED3	Natural log of AFDC need standard for a three-person family during given quarter (1990 dollars).	Data are annual from 1979-1983 and quarterly thereafter. Data were obtained from the Administration for Children and Families (ACF). Contact: Evelyn Mills, (202) 401-4055. Semi-annual AFDC need standard data compiled from 1979 to 1994 also obtained from the Congressional Research Service (CRS).	Quarterly values were interpolated from annual data from 1979-1983 based on analysis of trends in typical maximum payments after 1983.). The ACF data were checked against the CRS maximum monthly data. When a discrepancy appeared between the two series, an effort was made to explain the discrepancy and include the appropriate data. Deflated to real dollars using the regional CPI-U (1990=100).	1979.1-1994.4

⁷⁴ A given family's maximum AFDC benefit may differ from the state's "typical" benefit as calculated by the ACF due to factors such as: locality, housing arrangements, family composition, or special needs.

AFDC PROGRAM VARIABLES (CONTINUED)				
Variable	Description	Data	Construction	Dates
PAYSTAND	Natural log of AFDC payment standard for a three-person family during a given quarter (1990 dollars).	Data are annual (July) from 1979-1984 and semi-annual (January and July) from 1985-1994. Data were compiled by the Congressional Research Service and obtained either from various editions of <i>Green Book</i> and CRS reports. Contact: Carmen Solomon-Fears, (202) 707-7306.	Quarterly values were interpolated from annual and semi-annual data based on trends and changes in AFDC Typical Maximum Payment and Need Standard data. Deflated to real dollars using the regional CPI-U (1990=100).	1979.1-1994.4
EARNCUT	Natural log of monthly earnings at which AFDC benefit amount falls to zero (1990 dollars).	Data used in creation of variable: 1) Quarterly AFDC payment standard data interpolated from annual and semi-annual data obtained from various editions of <i>Green Book</i> and CRS reports. 2) Formulas used by states to calculate AFDC benefits obtained from the Congressional Research Service. 3) Data on the Earned Income Tax Credit program.	Calculated from the benefit formulas by setting benefits to zero and solving for countable income. Prior to 1981.4 and after 1984.3, EARNCUT is equal to countable income. In accordance with OBRA-81, however, EARNCUT from 1981.4 to 1984.3 is equal to countable income less the earned income tax credit at the calculated level of countable income. Deflated to real dollars using the regional CPI-U (1990=100).	1979.1-1994.4
CUTGIL	Continuous variable measuring effect of gross income limit at which family becomes ineligible for AFDC on the AFDC budget constraint.	Data used in creation of variable: 1) EARNCUT, see derivation above. 2) AFDC need standard data were obtained from the Administration for Children and Families (ACF).	CUTGIL is equal to the ratio of a state's AFDC earnings cutoff to the federal gross income limit. Prior to 1981.4, CUTGIL is equal to zero in all states because the gross income limit was, implicitly, infinity.	1979.1-1996.4
FOODADJ3	Food Stamp benefit for a three-person family receiving the typical maximum AFDC benefit (1990 dollars).	Data used in creation of variable: 1) Maximum Food Stamp benefit data for a three-person family obtained from the USDA. 2) Food Stamp program standard deduction data obtained from the USDA. 3) Typical maximum AFDC payment for a three-person family obtained from the ACF.	Equal to the maximum Food Stamp benefit for a three-person family less 30 percent of the difference of the typical maximum AFDC payment for a three-person family and the Food Stamp program standard deduction. Deflated to real dollars using the regional CPI-U (1990=100).	1979.1-1995.3
FOODSTP3	Maximum Food Stamp benefit for a three-person family (1990 dollars).	Fiscal year data obtained from Program Reports and Analysis Branch, Program Information Division, Food, Nutrition, and Consumer Services, USDA. Contact: Arthur Foley, (703) 305-2490.	Value of benefit constant within quarter. Maximum benefits in both Alaska and Hawaii differ from the single maximum benefit designated for all 48 contiguous states. Deflated to real dollars using the regional CPI-U (1990=100).	1979.1-1995.3

AFDC PROGRAM VARIABLES (CONTINUED)				
Variable	Description	Data	Construction	Dates
FSDEDUCT	Standard deduction taken from gross income used to determine the value of Food Stamp benefits (1990 dollars).	Fiscal year data obtained from Program Reports and Analysis Branch, Program Information Division, Food, Nutrition, and Consumer Services, USDA. Contact: Arthur Foley, (703) 305-2490.	Value of deduction constant within quarter. Standard deductions in both Alaska and Hawaii differ from the single standard deduction designated for all 48 contiguous states. Deflated to real dollars using the regional CPI-U (1990=100).	1979.1-1995.3
ATBRR	Average tax and benefit reduction rate between zero earnings and AFDC earnings cut-off.	Data used in creation of variable: 1) AFDC earnings cut-off (see above for derivation methodology). 2) Total disposable income at both AFDC earnings cut-off and zero earnings. 3) Maximum monthly benefit payable to a three-person AFDC family during given quarter, including the value of Food Stamps. 4) Data on EITC and FICA obtained from various editions of <i>Green Book</i> and <i>Social Security Bulletin, Annual Statistical Supplement</i> . 5) Formula provided by Gilbert Crouse, ASPE.	$ATBRR = 1 - (Y_1 - Y_0)/E_1$, where ATBRR is the average tax and benefit reduction rate, Y_1 is disposable income at the earnings cut-off, Y_0 is disposable income at zero earnings, and E_1 is the level of earnings at which AFDC benefits fall to zero. Disposable income equals: earnings + AFDC benefits + Food Stamp benefits + EITC - FICA.	1979.1-1996.4
MTBRR	Marginal tax and benefit reduction rate at AFDC earnings cut-off.	Data used in creation of variable: 1) AFDC earnings cut-off (see above for derivation methodology). 2) Total disposable income at both AFDC earnings cut-off and \$20 below AFDC earnings cut-off. 4) Data on EITC and FICA obtained from the various editions of <i>Green Book</i> and <i>Social Security Bulletin, Annual Statistical Supplement</i> . 5) Formula provided by Gilbert Crouse, ASPE.	$MTBRR = 1 - (Y_1 - Y_0)/(E_1 - E_0)$, where MTBRR is the marginal tax and benefit reduction rate \$20 below the AFDC earnings cut-off, Y_1 is disposable income at the earnings cut-off, Y_0 is disposable income at \$20 below the AFDC earnings cut-off, E_1 is the level of earnings at which AFDC benefits fall to zero, and E_0 is the level of earnings \$20 below the AFDC earnings cut-off. Disposable income equals: earnings + AFDC benefits + Food Stamp benefits + EITC - FICA.	1979.1-1996.4

AFDC PROGRAM VARIABLES (CONTINUED)				
Variable	Description	Data	Construction	Dates
AFDC Unemployed Parent Time-Limited Eligibility Variables				
UP12M	Dummy variable for effects of AFDC-UP programs with no time-limited eligibility.	Data used in creation of variable: 1) AFDC-UP program initiation and termination dates obtained from ACF. Contact: Evelyn Mills, (202) 401-4055. 2) AFDC-UP program time eligibility policy data obtained from <i>Characteristics of State Plans for Aid to Families with Dependent Children, 1990-1991 Edition</i> .	Equal to one in those quarters during which a state administers an AFDC-UP program with no time-limited eligibility. Otherwise, equal to zero. ⁷⁵	1978.1-1994.4
UP6M	Dummy variable for effects of AFDC-UP programs with time-limited eligibility.	Data used in creation of variable: 1) AFDC-UP program initiation and termination dates obtained from ACF. Contact: Evelyn Mills, (202) 401-4055. 2) AFDC-UP program time eligibility policy data obtained from <i>Characteristics of State Plans for Aid to Families with Dependent Children, 1990-1991 Edition</i> .	Equal to one in those quarters during which a state administers an AFDC-UP program limiting eligibility to six months out of every twelve months. Otherwise, equal to zero. ^{3,76}	1978.1-1994.4
AFDC Federal Requirement Variables				
JOBS	Dummy variable for implementation of state JOBS programs.	State JOBS program implementation dates obtained from <i>1991 Green Book</i> .	Equal to one in quarter during which a state implemented its JOBS program and all subsequent quarters. Equal to zero in all quarters prior to the quarter of implementation.	1978.1-1994.4
FSAUP1	Dummy variable for the federal mandate under FSA-1988 requiring states to implement AFDC-UP programs under.	Information obtained from ACF publication, <i>Characteristics of State Plans for Aid to Families with Dependent Children, 1990-1991 Edition</i> .	Equal to one from 1990.4 to 1994.4 for those states with no AFDC-UP program prior to the passage of FSA-1988 and required by FSA-1988 to establish an AFDC-UP program. Otherwise, equal to zero.	1978.1-1994.4

⁷⁵ For Colorado, which has administered an AFDC-UP program limiting eligibility to nine months out of every twelve month period since 1990.4, UP12M and UP6M are both set equal to 0.5.

⁷⁶ Time-limited eligibility is a program option available only to those states that initiated an AFDC-UP program after the passage of FSA-88.

AFDC PROGRAM VARIABLES (CONTINUED)				
Variable	Description	Data	Construction	Dates
AFDC Federal Waiver Variables				
NOKIDS	Dummy variable for waiver provisions that reduce or eliminate AFDC benefits for children born or conceived while the family is receiving AFDC.	Data on AFDC federal waivers obtained from the Administration for Children and Families.	Equal to one for New Jersey from 1992.4 forward; for Georgia from 1994.1 forward; and, for Wisconsin from 1994.3 forward. Otherwise, equal to zero.	1978.1-1994.4
WORKREQ	Dummy variable for waiver provisions requiring AFDC recipients to engage in work, education or training activities outside of those under the state's JOBS program.	Data on AFDC federal waivers obtained from the Administration for Children and Families.	Equal to one for Utah from 1993.1 forward; for Oregon from 1993.1 forward; for Hawaii from 1994.1 forward; for Michigan from 1994.4 forward; and, for Connecticut from 1994.4 forward. Otherwise, equal to zero.	1978.1-1994.4
MEDEXPAN	Dummy variable for waiver provisions that extend transitional Medicaid benefits for an additional one to two years.	Data on AFDC federal waivers obtained from the Administration for Children and Families.	Equal to one for Virginia from 1993.4 forward; for Vermont from 1994.2 forward; and, for Connecticut from 1994.4 forward. Otherwise, equal to zero.	1978.1-1994.4
UP100	Dummy variable for waiver provisions that eliminate the 100-hour work limitation rule for AFDC-UP eligibility.	Data on AFDC federal waivers obtained from the Administration for Children and Families.	Equal to one for California from 1992.3 forward and for Connecticut from 1994.4 forward. Otherwise, equal to zero.	1978.1-1994.4
UP100WH	Dummy variable for waiver provisions that eliminate both the 100-hour work limitation rule and work history requirement for AFDC-UP eligibility.	Data on AFDC federal waivers obtained from the Administration for Children and Families.	Equal to one Michigan from 1992.4 forward; for Iowa from 1993.4 forward; for Illinois from 1993.4 forward; for Vermont from 1994.2 forward; and, for Wisconsin from 1994.2 forward. Otherwise, equal to zero.	1978.1-1994.4
XX _{state} XX _{year}	State Year Dummies for Pre-TANF AFDC waivers and GA cuts in selected states.		Variable has a value of 1 for the state in a given year if reform has taken place in the state that year, or in the 3 prior years, a value of 0 is assigned otherwise	1989-1996

OTHER PROGRAM VARIABLES				
Variable	Description	Data	Construction	Dates
MEDGAIN	Continuous variable estimating effect of federally mandated expansion of Medicaid benefits under OBRA-89 and OBRA-90 to low-income mothers and children who are not AFDC eligible.	Existing annual variable through 1993 obtained from Aaron Yelowitz (1995).	Variable equal to zero before implementation of OBRA-89 and OBRA-90. Afterwards, variable equal to the percentage of children under the age of 18 in each state and year that are eligible for the Medicaid expansion. Values in 1994 equal value of variable in 1993 for each state. Annual series expanded to quarterly series using SAS/ETS PROC EXPAND with observed=average, method=join, and transformout=(ceil>=0) options.	1978.1-1994.4
GACHNG	Continuos variable measuring the size of state general assistance caseload changes to major state level policy initiatives.	State general assistance caseload data obtained from the Administration for Children and Families (ACF) including ACF publications, <i>Quarterly Public Assistance Statistics</i> (1981-1993) and <i>Public Assistance Statistics</i> (1978-1980). GACHNG variable derived from GACUT variable previously constructed by The Lewin Group.	GACHNG variable set to zero in the first quarter of the sample period. When a general assistance (GA) cut or increase occurs in a state, the size of cut per capita is the difference between the average monthly GA caseload in the three months following the quarter in which the cut occurred and in the three months preceding that quarter divided by the state's population. GACHNG variable set equal to the resulting number from the quarter of the change through the quarter in which the next change occurs. Additional changes are added to previous change(s).	1978.1-1997.4
SSIBEN	Log of the maximum SSI payment, federal plus state supplement in given quarter (1990 dollars).	Data on SSI federal and state supplement benefits obtained from various editions of the Social Security Administration publication, <i>State Assistance Programs for SSI Recipients</i> .	Benefit rates became effective on July 1 from 1979 through 1983. From 1984 through 1995, benefit rates became effective January 1.	1978.1-1997.4

OTHER PROGRAM VARIABLES				
Variable	Description	Data	Construction	Dates
Child Support Enforcement Laws				
DIMMWITH	Dummy variable representing existence of immediate withholding statutes in given quarter.	See Gaylin, Daniel S. and McLanahan, Sara S. (1995). Data provided by Daniel S. Gaylin.	Specification assumes statute goes into effect on January 1 of given year. Equal to one if state has statute in effect in given quarter. Otherwise, equal to zero.	1978.1-1994.4
DMANWITH	Dummy variable representing existence of mandatory withholding statutes in given quarter.	See Gaylin, Daniel S. and McLanahan, Sara S. (1995). Data provided by Daniel S. Gaylin.	Specification assumes statute goes into effect on January 1 of given year. Equal to one if state has statute in effect in given quarter. Otherwise, equal to zero.	1978.1-1994.4
DPATLARM	Dummy variable representing existence of paternal long-arm statutes in given quarter.	See Gaylin, Daniel S. and McLanahan, Sara S. (1995). Data provided by Daniel S. Gaylin.	Specification assumes statute goes into effect on January 1 of given year. Equal to one if state has statute in effect in given quarter. Otherwise, equal to zero.	1978.1-1994.4
DPRESUMP	Dummy variable representing existence of presumptive guideline statutes in given quarter.	See Gaylin, Daniel S. and McLanahan, Sara S. (1995). Data provided by Daniel S. Gaylin.	Specification assumes statute goes into effect on January 1 of given year. Equal to one if state has statute in effect in given quarter. Otherwise, equal to zero.	1978.1-1994.4
Abortion Restrictions				
ABRTCAID	Dummy variable representing the existence of laws limiting Medicaid funding for abortions.	Merz, Jon F. , et al. <i>A Review of Abortion Policy: Legality, Medicaid Funding, and Parental Involvement, 1967-1994.</i> (Working Paper No.: DRU-1096-NICHD.) Rand, May 1995.	Equal to one if state enforces law limiting Medicaid funding for abortions in given quarter. Otherwise, equal to zero.	1978.1-1994.4
ABRTMINR	Dummy variable representing the existence of laws requiring parental consent and/or notification before a minor may obtain an abortion.	Merz, Jon F. , et al. <i>A Review of Abortion Policy: Legality, Medicaid Funding, and Parental Involvement, 1967-1994.</i> (Working Paper No.: DRU-1096-NICHD.) Rand, May 1995.	Equal to one if state enforces parental consent and/or notification limiting laws regulating minors access to abortion services in given quarter. Otherwise, equal to zero.	1978.1-1994.4
Year Dummies				
Y19XX	Dummy variable for the observation year.		Equal to 1 for the given year; Otherwise, equal to 0.	1989-1996

APPENDIX E

**ANALYSIS OF SIPP/SSA MATCHED DATA FOR THE
PRE-REFORM PERIOD**

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Appendix Exhibit E.1:
Characteristics of SSI Recipients in January 1990, 1991, 1992, and 1993:
Young Women (age 18 to 40)⁷⁷

Characteristics	1990	1991	1992	1993
Total				
Unweighted Sample	74	68	103	105
Weighted Sample (x1,000)	290	494	542	555
Attrition⁷⁸				
% not completing one year of SIPP interviews	15.6	20.3	8.5	11.7
% not completing the full SIPP panel	22.1	25.1	18.7	26.2
Age				
18-24	25.5	21.4	23.1	27.6
25-29	23.6	23.5	21.1	19.4
30-34	25.6	33.4	18.5	25.3
35-40	25.2	21.7	37.3	27.7
Marital Status				
Married	10.2	6.1	14.4	20.4
Never Married	67.7	63.1	66.0	56.7
Divorced/Separated/Widowed	22.2	30.8	19.6	22.9
Race/Ethnicity				
Hispanic	9.0	11.1	6.6	8.6
Black (excluding Hispanic)	24.0	32.7	29.7	27.1
White	64.7	54.9	59.7	61.8
Other	2.3	1.4	3.9	2.5
Education Attained⁷⁹				
0-11 years	50.8	48.0	43.8	51.0
12 years	33.2	41.1	39.4	36.8
13-15 years	13.0	9.5	14.5	8.1
16 or more years	3.0	1.4	2.3	4.1

⁷⁷ Includes individuals who were interviewed in first wave of the 1990, 1991, 1992, or 1993 SIPP panels. A SSI recipient is defined as an individual who is “in payment status”—i.e., SSA records show that this person was scheduled to receive a payment. Our SSI sample includes individuals who were recipients according to SSA records in January of the calendar year.

⁷⁸ Excludes individuals who died during the panel period.

⁷⁹ Includes the number of education years completed. Persons who receive a high school equivalency are included in the 12 years category.

**Appendix Exhibit E.1 (continued):
Characteristics of SSI Recipients in January 1990, 1991, 1992, and 1993:
Young Women (age 18 to 40)**

Characteristics	1990	1991	1992	1993
Household Size⁸⁰				
1 person	14.1	8.1	11.9	10.0
2 persons	22.6	33.9	18.8	23.8
3-4 persons	45.3	40.8	47.5	41.0
5 persons or more	18.0	17.2	21.7	25.1
Family Size⁸¹				
1 person	24.0	11.9	17.4	16.9
2 persons	17.6	36.1	18.2	22.6
3-4 persons	43.7	34.8	44.2	36.1
5 persons or more	14.7	17.2	20.2	24.4
Children and Adults in the Household and Family⁸²				
% w/at least one child in the household	42.2	56.3	45.4	52.3
% w/at least one adult in the household (other than the recipient)	74.8	65.9	76.2	72.2
% w/at least one child in the family	40.0	56.3	43.4	49.3
% w/at least one adult in the family (other than the recipient)	63.7	59.6	69.0	63.5
Own Children⁸³				
% with Own Children	23.7	44.1	32.5	37.6
Age of Youngest Child				
• None	76.3	55.9	67.5	62.4
• 0-2	6.4	12.0	10.0	8.2
• 3-5	5.1	7.8	7.0	6.2
• 6-12	6.6	15.1	9.3	17.3
• 13-17	5.5	9.1	6.1	5.9

⁸⁰ Based on household size at first interview.

⁸¹ The Census defines a “family” as a group of two or more persons (one of who is the “householder”) related by birth, marriage, or adoption and residing together; all such persons (including related subfamily members) are considered members of one family.

⁸² Children include individuals under age 18.

⁸³ Includes only those with children under 18 who are living in the family at the time of the SIPP interview.

**Appendix Exhibit E.1 (continued):
 Characteristics of SSI Recipients in January 1990, 1991, 1992, and 1993:
 Young Women (age 18 to 40)**

Characteristics	1990	1991	1992	1993
Monthly Family Income for January (in 1993 dollars)⁸⁴				
Less than \$500	26.2	21.5	15.1	18.4
\$500-\$999	19.8	41.7	34.9	30.0
\$1,000-\$1,499	13.7	12.5	13.1	21.3
\$1,500-\$1,999	5.6	12.2	19.7	4.2
\$2,000 or more	34.7	12.2	17.2	26.1
Mean	\$1,802	\$1,077	\$1,603	\$1,792
Family Income as a % of Poverty for January⁸⁵				
Less than 1.00	40.5	48.4	42.2	50.9
1.00-1.49	13.1	31.3	28.0	17.1
1.50-2.00	18.6	2.1	8.7	9.6
2.00-2.99	16.0	11.6	8.9	7.2
3.00 or more	11.7	6.6	12.3	15.3
Monthly Family Income for the Calendar Year (in 1993 dollars)⁸⁶				
Missing	16.3	17.5	11.3	12.1
Less than \$500	15.2	11.0	13.5	11.2
\$500-\$999	17.5	40.2	28.9	29.9
\$1,000-\$1,499	14.9	11.3	12.3	19.5
\$1,500-\$1,999	5.5	5.1	12.6	5.2
\$2,000 or more	30.6	15.0	21.3	22.1
Mean	\$1,879	\$1,222	\$1,619	\$1,852
Family Income as a % of Poverty for the Year				
Missing	16.3	17.5	11.3	12.1
Less than 1.00	28.7	39.2	37.5	46.6
1.00-1.49	10.1	24.4	24.6	15.4
1.50-1.99	22.1	8.1	6.3	3.7
2.00-2.99	11.8	8.3	8.2	8.1
3.00 or more	10.9	2.5	12.0	13.9

⁸⁴ Based on monthly income for January. Income is adjusted using the Consumer Price Index.

⁸⁵ Based on monthly income for January.

⁸⁶ Based on Total Annual Income divided by twelve. Income is adjusted using the Consumer Price Index. Missing cases are due to sample attrition.

**Appendix Exhibit E.1 (continued):
Characteristics of SSI Recipients in January 1990, 1991, 1992, and 1993:
Young Women (age 18 to 40)**

Characteristics	1990	1991	1992	1993
Monthly Personal Income for January (in 1993 dollars)⁸⁷				
Less than \$500	74.9	55.5	60.9	57.3
\$500-\$999	20.2	39.2	34.3	33.5
\$1,000-\$1,499	3.6	2.4	3.8	8.3
\$1,500-\$1,999	1.2	2.9	0.9	0.9
\$2,000 or more	0.0	0.0	0.0	0.0
Mean	\$452	\$515	\$478	\$515
Household Assets (in 1993 dollars)⁸⁸				
Missing	5.6	18.9	9.4	12.7
\$0-\$1,999	49.9	44.8	45.6	36.3
\$2,000-\$9,999	11.6	13.7	10.1	14.9
\$10,000-\$24,999	6.3	3.8	7.0	9.1
\$25,000 or more	26.7	18.8	28.0	26.9
Mean	\$35,485	\$26,305	\$43,737	\$41,523
January Labor Earnings (in 1993 dollars)				
% with own labor earnings	10.7	6.6	10.3	4.0
• Mean of earnings>0	\$356	\$344	\$306	\$484
• Median of earnings>0	\$212	\$244	\$216	\$470
% living in a family with earnings ⁸⁹	47.8	31.5	35.6	34.7
• Mean of family earnings>0	\$2,058	\$1,107	\$2,048	\$2,700
• Median of family earnings>0	\$1,677	\$882	\$1,241	\$2,080

⁸⁷ Based on monthly income for January. Income is adjusted using the Consumer Price Index.

⁸⁸ Total household asset values include home equity, net vehicle equity, business equity, interest earning assets held at banks or other institutions, stock and mutual fund shares, real estate, other assets, and IRA accounts. Assets are adjusted using the Consumer Price Index. There are some missing values for assets because of the timing of the questions. The asset information in each SIPP panel is gathered at different points following the first interview.

⁸⁹ Includes earnings from the SSI recipient.

Appendix Exhibit E.1 (continued):
Characteristics of SSI Recipients in January 1990, 1991, 1992, and 1993:
Young Women (age 18 to 40)

Characteristics	1990	1991	1992	1993
Program Participation of Family⁹⁰				
AFDC	14.6	25.3	16.7	23.2
Food Stamps	30.4	42.7	34.5	52.0
Past Program Participation of Family⁹¹				
Missing	3.7	9.3	0.0	0.0
Past AFDC Recipient	19.9	25.3	21.4	29.3
Past Food Stamps Recipient	30.7	44.3	43.0	62.5
Federal SSI Payment (in 1993 dollars)				
None	5.0	5.3	3.8	6.1
\$1-\$249	17.4	23.4	20.6	18.9
\$250-\$499	77.6	71.2	75.6	75.0
\$500 or more	0.0	0.0	0.0	0.0
Mean of Payments >0	\$330	\$325	\$348	\$347
State Supplementation (in 1993 dollars)				
None	67.6	58.9	58.3	52.4
\$1-\$149	25.1	26.2	24.5	30.4
\$150 or more	7.2	14.9	17.2	17.1
Mean of Payments >0	\$111	\$116	\$115	\$103

⁹⁰ One or more family members received benefits in January of year indicated.

⁹¹ Individual received benefit in some period prior to January of year indicated.

**Appendix Exhibit E.1 (continued):
 Characteristics of SSI Recipients in January 1990, 1991, 1992, and 1993:
 Young Women (age 18 to 40)**

Characteristics	1990	1991	1992	1993
SSI Reciprocity In Other Years⁹²				
Pre-1984	50.1	49.1	43.5	22.9
1984-1985	64.3	56.7	54.5	28.0
1986-1987	78.0	68.9	61.0	39.8
1988-1989	100.0	85.7	70.8	52.1
1990-1991	100.0	100.0	100.0	79.5
1992-1993	99.0	94.1	100.0	100.0
1994-1995	91.1	90.5	91.1	98.2
1996-1997	89.5	86.8	87.2	85.7
Year of First SSI Application				
Pre-1984	66.1	58.1	54.9	36.5
1984-1985	4.9	13.3	10.4	11.1
1986-1987	13.6	12.4	6.1	14.5
1988-1989	15.4	8.5	11.3	8.6
1990-1991	--	7.8	17.2	16.0
1992-1993	--	--	--	13.3

⁹² Includes individuals who were SSI recipients at least one month during the two-year period.

**Appendix Exhibit E.1 (continued):
Characteristics of SSI Recipients in January 1990, 1991, 1992, and 1993:
Young Women (age 18 to 40)**

Characteristics	1990	1991	1992	1993
Health Status				
Missing	8.7	14.7	18.8	11.4
Poor	13.9	15.7	19.9	15.7
Fair	23.1	25.5	23.3	26.9
Good	27.1	29.7	24.0	30.3
Excellent/Very Good	27.1	14.3	14.0	15.7
One Period Disability Status⁹³				
Missing	8.7	14.7	18.8	11.4
No Disability	5.4	5.8	5.2	7.4
Any Disability ⁹⁴	85.9	79.5	76.0	81.2
• Severe Disability ⁹⁵	82.4	69.0	67.5	76.8
Functional Limitation, ADL, and IADL Status⁹⁶				
Missing	8.7	14.7	18.8	11.4
No Functional Limitation	23.5	26.6	25.9	29.2
Any Functional Limitation, ADL, or IADL ⁹⁷	67.8	58.7	55.3	59.4
• Any Severe Functional Limitation, ADL, or IADL ⁹⁸	64.4	51.1	48.2	51.1
• Multiple Functional Limitations, ADLs, or IADLs ⁹⁹	49.1	44.1	46.1	46.1

⁹³ Based on definition of disability used by McNeil (1993) and Kruse (1997).

⁹⁴ Reports a limitation in kind or amount of work or housework he or she can do; has difficulty with any of the functional activities or ADLs; uses a wheelchair; has used a cane, crutches, or walker for more than six months; has a disabling mental or emotional condition.

⁹⁵ Includes those who use a wheelchair, used a cane, crutches or walker for more than six months, are unable to do a functional activity, need assistance with an ADL, report being prevented from doing work or housework, or have mental retardation, Alzheimer's, senility, dementia, or a developmental disability such as autism or cerebral palsy.

⁹⁶ Based on definition of disability used by Hu, Lahiri, Vaughan, and Wixon (1997).

⁹⁷ Functional Limitations, ADLs, and IADL include the following categories: getting around the home, sitting in chair, showering, dressing, eating, using the toilet, getting out side the home, handling money and bills, preparing a meal, doing light housework, using the telephone, lifting ten pounds, walking stairs, walking 0.25 miles, and walking.

⁹⁸ A severe Functional Limitation, ADL, or IADL means that the respondent either required personal assistance or was unable to perform a certain task.

⁹⁹ Includes those who report difficulties with at least two functional limitations, ADLs, or IADLs.

Appendix Exhibit E.2:
Characteristics of SSI Recipients in January 1990, 1991, 1992, and 1993:
Young Men (age 18 to 40)¹⁰⁰

Characteristics	1990	1991	1992	1993
Total				
Unweighted Sample	110	57	82	115
Weighted Sample (x1,000)	526	445	503	735
Attrition¹⁰¹				
% not completing one year of SIPP interviews	22.5	26.0	17.0	15.2
% not completing the full SIPP panel	36.1	28.1	21.6	35.5
Age				
18-24	22.2	28.1	30.7	27.4
25-29	33.9	23.5	25.9	18.3
30-34	28.7	17.9	27.5	28.5
35-40	15.3	30.5	16.0	25.8
Marital Status				
Married	7.9	14.2	12.6	13.1
Never Married	84.9	72.9	79.3	81.8
Divorced/Separated/Widowed	7.2	12.9	8.1	5.1
Race/Ethnicity				
Hispanic	16.4	8.1	10.3	16.3
Black (excluding Hispanic)	26.1	23.2	23.7	30.1
White	56.7	65.8	60.5	49.1
Other	0.8	2.9	5.5	4.5
Education Attained¹⁰²				
0-11 years	56.9	40.4	47.9	52.5
12 years	35.3	39.7	33.1	39.5
13-15 years	7.7	15.5	15.3	5.4
16 or more years	0.0	4.4	3.7	2.6

¹⁰⁰ Includes individuals who were interviewed in first wave of the 1990, 1991, 1992, or 1993 SIPP panels. A SSI recipient is defined as an individual who is “in payment status”—i.e., SSA records show that this person was scheduled to receive a payment. Our SSI sample includes individuals who were recipients according to SSA records in January of the calendar year.

¹⁰¹ Excludes individuals who died during the panel period.

¹⁰² Includes the number of education years completed. Persons who receive a high school equivalency are included in the 12 years category.

**Appendix Exhibit E.2 (continued):
Characteristics of SSI Recipients in January 1990, 1991, 1992, and 1993:
Young Men (age 18 to 40)**

Characteristics	1990	1991	1992	1993
Household Size¹⁰³				
1 person	12.4	13.0	18.8	16.0
2 persons	15.2	22.4	20.1	12.1
3-4 persons	43.1	41.6	49.3	46.8
5 persons or more	29.3	23.0	11.7	25.2
Family Size¹⁰⁴				
1 person	18.5	21.4	25.3	21.9
2 persons	13.6	19.3	19.7	10.3
3-4 persons	45.1	38.3	45.8	45.2
5 persons or more	22.7	21.0	9.2	22.6
Children and Adults in the Household and Family¹⁰⁵				
% w/at least one child in the household	36.7	26.1	31.6	36.8
% w/at least one adult in the household (other than the recipient)	87.6	87.0	80.2	84.0
% w/at least one child in the family	35.1	24.0	30.5	32.7
% w/at least one adult in the family (other than the recipient)	81.5	78.6	73.7	78.1
Own Children¹⁰⁶				
% with Own Children	7.9	9.7	11.6	8.8
Age of Youngest Child				
• None	92.1	90.3	88.4	91.2
• 0-2	5.9	3.8	3.0	2.7
• 3-5	1.5	3.1	1.9	0.7
• 6-12	0.6	2.8	4.7	4.7
• 13-17	0.0	0.0	2.1	0.7

¹⁰³ Based on household size at first interview.

¹⁰⁴ The Census defines a “family” as a group of two or more persons (one of who is the “householder”) related by birth, marriage, or adoption and residing together; all such persons (including related subfamily members) are considered members of one family.

¹⁰⁵ Children include individuals under age 18.

¹⁰⁶ Includes only those with children under 18 who are living in the family at the time of the SIPP interview.

Appendix Exhibit E.2 (continued):
Characteristics of SSI Recipients in January 1990, 1991, 1992, and 1993:
Young Men (age 18 to 40)

Characteristics	1990	1991	1992	1993
Monthly Family Income for January (in 1993 dollars)¹⁰⁷				
Less than \$500	14.7	30.1	13.6	15.6
\$500-\$999	31.4	13.8	34.2	19.9
\$1,000-\$1,499	9.0	20.4	14.6	15.5
\$1,500-\$1,999	8.3	3.4	12.2	12.7
\$2,000 or more	36.5	32.3	25.4	36.3
Mean	\$1,838	\$1,829	\$1,958	\$2,027
Family Income as a % of Poverty for January¹⁰⁸				
Less than 1.00	32.8	43.9	33.3	34.2
1.00-1.49	23.2	14.0	31.8	18.3
1.50-2.00	14.5	12.1	2.2	16.3
2.00-2.99	15.5	18.2	14.4	14.5
3.00 or more	14.0	11.8	18.3	16.7
Monthly Family Income for the Calendar Year (in 1993 dollars)¹⁰⁹				
Missing	20.2	19.4	15.8	12.1
Less than \$500	7.7	18.7	12.0	10.0
\$500-\$999	25.7	17.5	27.4	18.8
\$1,000-\$1,499	12.4	11.8	10.7	16.0
\$1,500-\$1,999	3.7	5.7	10.2	10.4
\$2,000 or more	30.4	26.9	23.8	32.8
Mean	\$1,772	\$1,857	\$1,958	\$2,111
Family Income as a % of Poverty for the Year				
Missing	20.2	19.4	15.8	12.1
Less than 1.00	17.7	29.4	29.6	25.3
1.00-1.49	26.9	15.4	23.2	20.7
1.50-2.00	13.2	11.2	7.2	11.1
2.00-2.99	15.1	12.3	7.6	16.1
3.00 or more	6.9	12.4	16.6	14.8

¹⁰⁷ Based on monthly income for January. Income is adjusted using the Consumer Price Index.

¹⁰⁸ Based on monthly income for January.

¹⁰⁹ Based on Total Annual Income divided by twelve. Income is adjusted using the Consumer Price Index. Missing cases are due to sample attrition

**Appendix Exhibit E.2 (continued):
Characteristics of SSI Recipients in January 1990, 1991, 1992, and 1993:
Young Men (age 18 to 40)**

Characteristics	1990	1991	1992	1993
Monthly Personal Income for January (in 1993 dollars)¹¹⁰				
Less than \$500	68.0	72.3	67.6	61.1
\$500-\$999	25.2	20.7	26.0	33.0
\$1,000-\$1,499	5.2	3.2	5.4	3.9
\$1,500-\$1,999	0.9	2.1	0.0	1.4
\$2,000 or more	0.8	1.8	1.1	0.6
Mean	\$487	\$501	\$522	\$499
Household Assets (in 1993 dollars)¹¹¹				
Missing	12.9	19.0	11.9	27.8
\$0-\$1,999	39.5	34.5	40.3	29.3
\$2,000-\$9,999	7.0	12.3	12.2	10.3
\$10,000-\$24,999	13.1	6.7	10.9	5.3
\$25,000 or more	27.4	27.5	24.8	27.4
Mean	\$39,360	\$26,983	\$40,226	\$44,596
January Labor Earnings (in 1993 dollars)				
% with own labor earnings	11.6	19.4	12.1	21.5
• Mean of earnings>0	\$545	\$787	\$699	\$567
• Median of earnings>0	\$276	\$721	\$206	\$320
% living in a family with earnings ¹¹²	48.7	42.0	36.8	52.4
• Mean of family earnings>0	\$1,882	\$2,468	\$3,098	\$2,469
• Median of family earnings>0	\$1,636	\$1,803	\$2,664	\$1,950

¹¹⁰ Based on monthly income for January. Income is adjusted using the Consumer Price Index.

¹¹¹ Total household asset values include home equity, net vehicle equity, business equity, interest earning assets held at banks or other institutions, stock and mutual fund shares, real estate, other assets, and IRA accounts. Assets are adjusted using the Consumer Price Index. There are some missing values for assets because of the timing of the questions. The asset information in each SIPP panel is gathered at different points following the first interview.

¹¹² Includes earnings from the SSI recipient.

Appendix Exhibit E.2 (continued):
Characteristics of SSI Recipients in January 1990, 1991, 1992, and 1993:
Young Men (age 18 to 40)

Characteristics	1990	1991	1992	1993
Program Participation of Family¹¹³				
AFDC	4.7	2.4	6.5	3.6
Food Stamps	23.6	28.6	38.3	27.6
Past Program Participation of Family¹¹⁴				
Missing	10.0	9.5	0.0	0.0
Past AFDC Recipient	4.7	2.4	7.5	3.6
Past Food Stamps Recipient	20.2	24.8	40.4	31.8
Federal SSI Payment (in 1993 dollars)				
None	3.5	3.0	4.5	2.2
\$1-\$249	22.6	18.3	29.2	29.0
\$250-\$499	73.9	78.7	66.3	68.9
\$500 or more	0.0	0.0	0.0	0.0
Mean of Payments >0	\$317	\$349	\$314	\$312
State Supplementation (in 1993 dollars)				
None	62.9	58.5	55.8	57.4
\$1-\$149	21.3	27.0	24.1	30.5
\$150 or more	15.8	14.5	20.0	12.1
Mean of Payments >0	\$138	\$120	\$128	\$87

¹¹³ One or more family members received benefits in January of year indicated.

¹¹⁴ Individual received benefit in some period prior to January of year indicated.

**Appendix Exhibit E.2 (continued):
 Characteristics of SSI Recipients in January 1990, 1991, 1992, and 1993:
 Young Men (age 18 to 40)**

Characteristics	1990	1991	1992	1993
SSI Reciprocity In Other Years¹¹⁵				
Pre-1984	50.5	35.4	26.4	35.4
1984-1985	63.2	54.7	36.6	37.8
1986-1987	79.7	60.3	55.2	44.3
1988-1989	96.4	77.6	66.1	56.8
1990-1991	100.0	100.0	98.7	83.3
1992-1993	94.8	86.1	100.0	100.0
1994-1995	86.7	80.5	96.9	93.6
1996-1997	76.0	76.1	84.8	88.7
Year of First SSI Application				
Pre-1984	64.8	47.9	41.8	45.5
1984-1985	9.2	17.5	10.8	5.0
1986-1987	11.9	13.1	14.0	10.6
1988-1989	13.6	10.9	20.0	8.5
1990-1991	0.6	10.7	13.4	18.1
1992-1993	--	--	--	12.4

¹¹⁵ Includes individuals who were SSI recipients at least one month during the two-year period.

**Appendix Exhibit E.2 (continued):
Characteristics of SSI Recipients in January 1990, 1991, 1992, and 1993:
Young Men (age 18 to 40)**

Characteristics	1990	1991	1992	1993
Health Status				
Missing	12.9	19.2	16.7	11.2
Poor	12.5	14.3	21.1	15.4
Fair	31.2	16.5	20.3	26.0
Good	26.5	28.7	23.5	32.5
Excellent/Very Good	16.9	21.4	18.4	14.9
One Period Disability Status¹¹⁶				
Missing	12.9	19.2	16.7	11.2
No Disability	4.8	7.3	7.6	6.5
Any Disability ¹¹⁷	82.3	73.5	75.7	82.3
• Severe Disability ¹¹⁸	68.9	67.4	70.6	74.7
Functional Limitation, ADL, and IADL Status¹¹⁹				
Missing	12.9	19.2	16.7	11.2
No Functional Limitation	35.2	31.4	29.7	32.9
Any Functional Limitation, ADL, or IADL ¹²⁰	51.9	49.4	53.6	55.9
• Any Severe Functional Limitation, ADL, or IADL ¹²¹	49.6	41.0	50.8	53.1
• Multiple Functional Limitations, ADLs, or IADLs ¹²²	41.1	37.6	47.2	45.5

¹¹⁶ Based on definition of disability used by McNeil (1993) and Kruse (1997).

¹¹⁷ Reports a limitation in kind or amount of work or housework he or she can do; has difficulty with any of the functional activities or ADLs; uses a wheelchair; has used a cane, crutches, or walker for more than six months; has a disabling mental or emotional condition.

¹¹⁸ Includes those who use a wheelchair, used a cane, crutches or walker for more than six months, are unable to do a functional activity, need assistance with an ADL, report being prevented from doing work or housework, or have mental retardation, Alzheimer's, senility, dementia, or a developmental disability such as autism or cerebral palsy.

¹¹⁹ Based on definition of disability used by Hu, Lahiri, Vaughan, and Wixon (1997).

¹²⁰ Functional Limitations, ADLs, and IADL include the following categories: getting around the home, sitting in chair, showering, dressing, eating, using the toilet, getting out side the home, handling money and bills, preparing a meal, doing light housework, using the telephone, lifting ten pounds, walking stairs, walking 0.25 miles, and walking.

¹²¹ A severe Functional Limitation, ADL, or IADL means that the respondent either required personal assistance or was unable to perform a certain task.

¹²² Includes those who report difficulties with at least two functional limitations, ADLs, or IADLs.

Appendix Exhibit E.3:
Characteristics of SSI Recipients in January 1990, 1991, 1992, and 1993:
Older Women (age 41 to 64)¹²³

Characteristics	1990	1991	1992	1993
Total				
Unweighted Sample	176	110	165	164
Weighted Sample (x1,000)	527	787	830	849
Attrition¹²⁴				
% not completing one year of SIPP interviews	7.7	13.7	8.5	6.3
% not completing the full SIPP panel	19.7	15.2	12.3	15.4
Age				
41-46	18.5	18.8	23.9	23.1
47-52	13.3	22.5	21.4	16.6
53-59	39.1	30.6	30.6	36.9
60-64	29.1	28.1	24.0	23.4
Marital Status				
Married	18.6	20.1	17.3	18.6
Never Married	16.9	20.1	22.9	18.2
Divorced/Separated/Widowed	64.4	59.8	59.8	63.1
Race/Ethnicity				
Hispanic	17.1	12.6	11.8	11.0
Black (excluding Hispanic)	25.0	25.8	24.3	35.4
White	52.8	60.1	59.4	50.9
Other	5.2	1.5	4.5	2.7
Education Attained¹²⁵				
0-11 years	71.0	62.6	69.6	62.1
12 years	15.8	29.7	17.5	27.2
13-15 years	9.1	4.9	8.5	9.1
16 or more years	4.0	2.8	4.4	1.6

¹²³ Includes individuals who were interviewed in first wave of the 1990, 1991, 1992, or 1993 SIPP panels. A SSI recipient is defined as an individual who is “in payment status”—i.e., SSA records show that this person was scheduled to receive a payment. Our SSI sample includes individuals who were recipients according to SSA records in January of the calendar year.

¹²⁴ Excludes individuals who died during the panel period.

¹²⁵ Includes the number of education years completed. Persons who receive a high school equivalency are included in the 12 years category.

**Appendix Exhibit E.3 (continued):
Characteristics of SSI Recipients in January 1990, 1991, 1992, and 1993:
Older Women (age 41 to 64)**

Characteristics	1990	1991	1992	1993
Household Size ¹²⁶				
1 person	34.0	32.9	37.9	37.0
2 persons	35.0	26.6	29.8	28.3
3-4 persons	19.4	28.7	20.2	22.0
5 persons or more	11.6	11.7	12.1	12.8
Family Size ¹²⁷				
1 person	37.3	36.0	41.3	39.8
2 persons	32.3	27.3	30.3	28.4
3-4 persons	18.9	25.9	17.0	19.9
5 persons or more	11.6	10.7	11.4	11.9
Children and Adults in the Household and Family ¹²⁸				
% w/at least one child in the household	28.0	23.8	20.5	22.6
% w/at least one adult in the household (other than the recipient)	58.1	62.7	54.8	57.7
% w/at least one child in the family	28.0	23.1	19.8	22.1
% w/at least one adult in the family (other than the recipient)	54.8	57.7	50.8	55.3
Own Children ¹²⁹				
% with Own Children	13.0	5.2	8.8	8.5
Age of Youngest Child				
• None	87.0	94.8	91.2	91.5
• 0-2	0.0	0.0	0.0	1.1
• 3-5	0.6	0.7	0.6	0.6
• 6-12	4.4	2.9	3.2	1.6
• 13-17	8.0	1.6	5.0	5.3

¹²⁶ Based on household size at first interview.

¹²⁷ The Census defines a “family” as a group of two or more persons (one of who is the “householder”) related by birth, marriage, or adoption and residing together; all such persons (including related subfamily members) are considered members of one family.

¹²⁸ Children include individuals under age 18.

¹²⁹ Includes only those with children under 18 who are living in the family at the time of the SIPP interview.

**Appendix Exhibit E.3 (continued):
Characteristics of SSI Recipients in January 1990, 1991, 1992, and 1993:
Older Women (age 41 to 64)**

Characteristics	1990	1991	1992	1993
Monthly Family Income for January (in 1993 dollars)¹³⁰				
Less than \$500	36.6	33.2	32.6	37.2
\$500-\$999	30.9	28.2	43.1	29.4
\$1,000-\$1,499	16.0	12.9	8.7	16.5
\$1,500-\$1,999	5.3	9.5	5.3	7.2
\$2,000 or more	11.2	16.2	10.3	9.7
Mean	\$1,051	\$1,208	\$1,026	\$1,088
Family Income as a % of Poverty for January¹³¹				
Less than 1.00	60.9	53.3	63.3	63.3
1.00-1.49	20.2	21.1	18.1	20.8
1.50-2.00	9.0	11.7	8.1	5.7
2.00-2.99	6.0	9.1	6.1	5.8
3.00 or more	3.8	4.6	4.4	4.4
Monthly Family Income for the Year (in 1993 dollars)¹³²				
Missing	7.8	15.1	10.4	10.3
Less than \$500	30.3	22.7	23.6	29.1
\$500-\$999	32.5	34.7	42.0	26.2
\$1,000-\$1,499	14.9	6.6	10.4	20.5
\$1,500-\$1,999	3.0	7.6	6.3	4.5
\$2,000 or more	11.5	13.3	7.4	9.3
Mean	\$1,026	\$1,163	\$985	\$1,099
Family Income as a % of Poverty for the Year				
Missing	7.8	15.1	10.4	10.3
Less than 1.00	54.3	48.4	51.8	52.6
1.00-1.49	25.6	16.0	21.7	21.1
1.50-2.00	4.4	9.2	9.2	5.6
2.00-2.99	3.7	5.4	4.3	5.9
3.00 or more	4.3	5.9	2.6	4.5

¹³⁰ Based on monthly income for January. Income is adjusted using the Consumer Price Index.

¹³¹ Based on monthly income for January.

¹³² Based on Total Annual Income divided by twelve. Income is adjusted using the Consumer Price Index. Missing cases are due to sample attrition

**Appendix Exhibit E.3 (continued):
Characteristics of SSI Recipients in January 1990, 1991, 1992, and 1993:
Older Women (age 41 to 64)**

Characteristics	1990	1991	1992	1993
Monthly Personal Income for January (in 1993 dollars)¹³³				
Less than \$500	70.0	64.7	61.7	72.0
\$500-\$999	25.6	30.0	36.0	24.1
\$1,000-\$1,499	4.0	4.4	0.5	2.8
\$1,500-\$1,999	0.4	0.9	0.0	0.5
\$2,000 or more	0.0	0.0	1.8	0.6
Mean	\$479	\$496	\$493	\$509
Household Assets (in 1993 dollars)¹³⁴				
Missing	4.0	16.1	5.8	14.0
\$0-\$1,999	59.0	42.5	51.5	41.0
\$2,000-\$9,999	3.8	7.8	12.4	17.2
\$10,000-\$24,999	7.8	8.3	11.6	9.7
\$25,000 or more	25.5	25.3	18.6	18.1
Mean	\$29,721	\$32,462	\$19,916	20,969
January Labor Earnings (in 1993 dollars)				
% with own labor earnings	1.7	4.2	4.7	2.5
• Mean of earnings>0	\$363	\$744	\$1,170	\$225
• Median of earnings>0	\$332	\$605	\$428	\$210
% living in a family with earnings ¹³⁵	17.8	26.0	19.8	21.9
• Mean of family earnings>0	\$1,581	\$1,363	\$1,758	\$1,593
• Median of family earnings>0	\$1,106	\$1,027	\$1,160	\$966

¹³³ Based on monthly income for January. Income is adjusted using the Consumer Price Index.

¹³⁴ Total household asset values include home equity, net vehicle equity, business equity, interest earning assets held at banks or other institutions, stock and mutual fund shares, real estate, other assets, and IRA accounts. Assets are adjusted using the Consumer Price Index. There are some missing values for assets because of the timing of the questions. The asset information in each SIPP panel is gathered at different points following the first interview.

¹³⁵ Includes earnings from the SSI recipient.

**Appendix Exhibit E.3 (continued):
 Characteristics of SSI Recipients in January 1990, 1991, 1992, and 1993:
 Older Women (age 41 to 64)**

Characteristics	1990	1991	1992	1993
Program Participation of Family¹³⁶				
AFDC	8.6	7.5	6.7	7.1
Food Stamps	48.4	49.3	50.9	52.3
Past Program Participation of Family¹³⁷				
Missing	2.2	9.9	0.0	0.0
Past AFDC Recipient	13.2	11.2	9.1	8.0
Past Food Stamps Recipient	48.0	44.0	66.6	66.9
Federal SSI Payment (in 1993 dollars)				
None	0.0	7.6	0.0	0.0
\$1-\$249	39.4	29.0	35.8	36.2
\$250-\$499	60.6	63.5	64.2	63.8
\$500 or more	0.0	0.0	0.0	0.0
Mean of Payments >0	\$267	\$302	\$285	\$289
State Supplementation (in 1993 dollars)				
None	61.0	55.4	55.8	59.7
\$1-\$149	26.7	27.2	30.5	29.3
\$150 or more	12.3	17.4	13.6	10.9
Mean of Payments >0	\$122	\$133	\$105	\$85

¹³⁶ One or more family members received benefits in January of year indicated.

¹³⁷ Individual received benefit in some period prior to January of year indicated.

Appendix Exhibit E.3 (continued):
Characteristics of SSI Recipients in January 1990, 1991, 1992, and 1993:
Older Women (age 41 to 64)

Characteristics	1990	1991	1992	1993
SSI Reciprocity In Other Years ¹³⁸				
Pre-1984	47.6	40.4	37.9	27.6
1984-1985	54.4	56.7	43.8	38.5
1986-1987	76.2	70.6	57.0	49.8
1988-1989	98.7	86.8	70.8	66.2
1990-1991	100.0	100.0	97.2	86.2
1992-1993	87.6	95.5	100.0	100.0
1994-1995	76.9	82.5	92.6	95.0
1996-1997	71.8	78.1	84.8	85.9
Year of First SSI Application				
Pre-1984	68.1	64.6	63.7	53.5
1984-1985	7.6	10.4	6.4	8.2
1986-1987	16.9	8.5	11.2	8.9
1988-1989	6.5	10.7	7.2	12.8
1990-1991	1.0	5.8	11.0	10.7
1992-1993	--	--	0.5	5.8

¹³⁸ Includes individuals who were SSI recipients at least one month during the two-year period.

**Appendix Exhibit E.3 (continued):
Characteristics of SSI Recipients in January 1990, 1991, 1992, and 1993:
Older Women (age 41 to 64)**

Characteristics	1990	1991	1992	1993
Health Status				
Missing	4.0	12.5	13.4	8.2
Poor	39.4	37.6	34.5	26.1
Fair	36.0	33.5	38.5	41.2
Good	16.3	14.1	11.2	18.7
Excellent/Very Good	4.3	2.3	2.4	5.8
One Period Disability Status¹³⁹				
Missing	4.0	12.5	13.4	8.2
No Disability	4.9	3.7	1.9	2.7
Any Disability ¹⁴⁰	92.9	83.8	84.7	89.1
• Severe Disability ¹⁴¹	87.0	79.8	82.0	85.3
Functional Limitation, ADL, and IADL Status¹⁴²				
Missing	4.0	12.5	13.4	8.2
No Functional Limitation	17.2	15.8	15.7	19.9
Any Functional Limitation, ADL, or IADL ¹⁴³	78.8	71.7	72.9	71.9
• Any Severe Functional Limitation, ADL, or IADL ¹⁴⁴	67.1	58.1	63.1	63.6
• Multiple Functional Limitations, ADLs, or IADLs ¹⁴⁵	68.4	67.3	65.8	66.9

¹³⁹ Based on definition of disability used by McNeil (1993) and Kruse (1997).

¹⁴⁰ Reports a limitation in kind or amount of work or housework he or she can do; has difficulty with any of the functional activities or ADLs; uses a wheelchair; has used a cane, crutches, or walker for more than six months; has a disabling mental or emotional condition.

¹⁴¹ Includes those who use a wheelchair, used a cane, crutches or walker for more than six months, are unable to do a functional activity, need assistance with an ADL, report being prevented from doing work or housework, or have mental retardation, Alzheimer's, senility, dementia, or a developmental disability such as autism or cerebral palsy.

¹⁴² Based on definition of disability used by Hu, Lahiri, Vaughan, and Wixon (1997).

¹⁴³ Functional Limitations, ADLs, and IADL include the following categories: getting around the home, sitting in chair, showering, dressing, eating, using the toilet, getting out side the home, handling money and bills, preparing a meal, doing light housework, using the telephone, lifting ten pounds, walking stairs, walking 0.25 miles, and walking.

¹⁴⁴ A severe Functional Limitation, ADL, or IADL means that the respondent either required personal assistance or was unable to perform a certain task.

¹⁴⁵ Includes those who report difficulties with at least two functional limitations, ADLs, or IADLs.

**Appendix Exhibit E.3 (continued):
 Characteristics of SSI Recipients in January 1990, 1991, 1992, and 1993:
 Older Women (age 41 to 64)**

Characteristics	1990	1991	1992	1993
Multi-period Work Limitation Status¹⁴⁶				
Missing	15.7	NA	20.0	11.6
No limitations	6.3	NA	1.5	2.3
Only one month	10.5	NA	3.5	5.6
Both months	67.5	NA	75.0	80.5

¹⁴⁶ Based on limitations reported in October of current year and October of the following year. See Burkhauser and Wittenburg (1996).

Appendix Exhibit E.4:
Characteristics of SSI Recipients in January 1990, 1991, 1992, and 1993:
Older Men (age 41 to 64)¹⁴⁷

Characteristics	1990	1991	1992	1993
Total				
Unweighted Sample	81	61	74	100
Weighted Sample (x1,000)	390	450	432	542
Attrition¹⁴⁸				
% not completing one year of SIPP interviews	16.3	4.8	10.0	14.3
% not completing the full SIPP panel	18.6	12.1	22.8	28.6
Age				
41-46	19.1	26.4	28.1	29.2
47-52	19.0	23.4	16.0	24.7
53-59	43.7	21.0	34.6	27.0
60-64	18.2	29.2	21.4	19.1
Marital Status				
Married	25.8	39.7	36.6	36.8
Never Married	37.3	31.5	34.8	37.5
Divorced/Separated/Widowed	36.9	28.8	28.6	25.7
Race/Ethnicity				
Hispanic	14.8	16.6	12.2	15.7
Black (excluding Hispanic)	31.5	24.0	29.9	50.5
White	52.4	55.8	50.8	26.0
Other	1.4	3.6	7.1	7.8
Education Attained¹⁴⁹				
0-11 years	71.6	69.0	71.8	67.5
12 years	23.0	17.4	17.3	23.6
13-15 years	5.4	11.8	3.2	5.8
16 or more years	0.0	1.8	7.7	3.1

¹⁴⁷ Includes individuals who were interviewed in first wave of the 1990, 1991, 1992, or 1993 SIPP panels. A SSI recipient is defined as an individual who is “in payment status”—i.e., SSA records show that this person was scheduled to receive a payment. Our SSI sample includes individuals who were recipients according to SSA records in January of the calendar year.

¹⁴⁸ Excludes individuals who died during the panel period.

¹⁴⁹ Includes the number of education years completed. Persons who receive a high school equivalency are included in the 12 years category.

**Appendix Exhibit E.4 (continued):
Characteristics of SSI Recipients in January 1990, 1991, 1992, and 1993:
Older Men (age 41 to 64)**

Characteristics	1990	1991	1992	1993
Household Size ¹⁵⁰				
1 person	23.6	25.0	34.3	28.2
2 persons	32.8	38.5	35.4	24.0
3-4 persons	31.7	27.7	17.3	27.5
5 persons or more	11.9	8.8	13.0	20.3
Family Size ¹⁵¹				
1 person	27.7	32.6	49.2	33.1
2 persons	32.1	32.9	23.8	26.6
3-4 persons	28.4	25.7	14.0	20.9
5 persons or more	11.9	8.8	13.0	19.5
Children and Adults in the Household and Family ¹⁵²				
% w/at least one child in the household	22.2	21.4	21.9	35.9
% w/at least one adult in the household (other than the recipient)	75.1	75.0	65.7	68.0
% w/at least one child in the family	22.2	19.4	19.7	33.6
% w/at least one adult in the family (other than the recipient)	69.4	67.4	50.8	64.1
Own Children ¹⁵³				
% with Own Children	11.7	13.9	10.0	17.4
Age of Youngest Child				
• None	88.3	86.1	89.9	82.6
• 0-2	0.0	0.0	0.0	1.8
• 3-5	3.4	0.0	1.1	0.9
• 6-12	3.4	7.2	3.3	5.7
• 13-17	4.9	6.7	5.7	9.1

¹⁵⁰ Based on household size at first interview.

¹⁵¹ The Census defines a “family” as a group of two or more persons (one of who is the “householder”) related by birth, marriage, or adoption and residing together; all such persons (including related subfamily members) are considered members of one family.

¹⁵² Children include individuals under age 18.

¹⁵³ Includes only those with children under 18 who are living in the family at the time of the SIPP interview.

**Appendix Exhibit E.4 (continued):
Characteristics of SSI Recipients in January 1990, 1991, 1992, and 1993:
Older Men (age 41 to 64)**

Characteristics	1990	1991	1992	1993
Monthly Family Income for January (in 1993 dollars)¹⁵⁴				
Less than \$500	21.8	26.1	26.2	29.9
\$500-\$999	34.9	39.4	43.2	33.5
\$1,000-\$1,499	23.4	17.7	14.8	16.6
\$1,500-\$1,999	3.3	6.1	2.8	7.9
\$2,000 or more	16.7	10.6	13.0	12.1
Mean	\$1,399	\$1,067	\$1,000	\$1,120
Family Income as a % of Poverty for January¹⁵⁵				
Less than 1.00	41.3	49.1	48.4	57.7
1.00-1.49	27.2	29.2	35.3	25.4
1.50-2.00	14.3	12.6	6.1	7.4
2.00-2.99	11.1	5.8	5.9	7.2
3.00 or more	6.1	3.3	4.3	2.4
Monthly Family Income for the Calendar Year (in 1993 dollars)¹⁵⁶				
Missing	19.9	10.1	9.9	16.4
Less than \$500	20.5	21.3	20.5	22.2
\$500-\$999	30.5	36.8	38.3	24.8
\$1,000-\$1,499	10.9	17.7	14.2	17.4
\$1,500-\$1,999	7.4	5.4	7.6	4.8
\$2,000 or more	10.8	8.6	9.5	14.4
Mean	\$1,260	\$1,093	\$1,012	\$1,201
Family Income as a % of Poverty for the Year				
Missing	19.9	10.1	9.9	16.4
Less than 1.00	34.1	46.8	43.5	47.0
1.00-1.49	26.4	22.2	27.9	20.4
1.50-2.00	5.2	11.8	9.9	5.1
2.00-2.99	9.0	5.8	7.4	8.6
3.00 or more	5.4	3.3	1.5	2.5

¹⁵⁴ Based on monthly income for January. Income is adjusted using the Consumer Price Index.

¹⁵⁵ Based on monthly income for January.

¹⁵⁶ Based on Total Annual Income divided by twelve. Income is adjusted using the Consumer Price Index. Missing cases are due to sample attrition

Appendix Exhibit E.4 (continued):
Characteristics of SSI Recipients in January 1990, 1991, 1992, and 1993:
Older Men (age 41 to 64)

Characteristics	1990	1991	1992	1993
Monthly Personal Income for January (in 1993 dollars)¹⁵⁷				
Less than \$500	63.0	71.3	54.8	70.1
\$500-\$999	30.1	21.5	42.3	25.1
\$1,000-\$1,499	0.0	7.1	1.1	2.4
\$1,500-\$1,999	3.0	0.0	1.8	0.9
\$2,000 or more	3.9	0.0	0.0	1.5
Mean	\$724	\$464	\$509	\$504
Household Assets (in 1993 dollars)¹⁵⁸				
Missing	14.5	25.6	7.7	25.7
\$0-\$1,999	42.8	34.0	47.3	31.9
\$2,000-\$9,999	7.3	10.8	11.4	12.2
\$10,000-\$24,999	7.8	6.0	8.6	12.3
\$25,000 or more	27.5	23.6	25.0	18.0
Mean	\$41,554	\$29,477	\$22,520	\$25,260
January Labor Earnings (in 1993 dollars)				
% with own labor earnings	4.0	5.6	7.8	1.8
• Mean of earnings>0	\$698	\$249	\$578	\$537
• Median of earnings>0	\$347	\$58	\$342	\$533
% living in a family with earnings ¹⁵⁹	21.8	24.5	26.7	23.1
• Mean of family earnings>0	\$1,515	\$936	\$1,187	\$1,385
• Median of family earnings>0	\$952	\$739	\$927	\$960

¹⁵⁷ Based on monthly income for January. Income is adjusted using the Consumer Price Index.

¹⁵⁸ Total household asset values include home equity, net vehicle equity, business equity, interest earning assets held at banks or other institutions, stock and mutual fund shares, real estate, other assets, and IRA accounts. Assets are adjusted using the Consumer Price Index. There are some missing values for assets because of the timing of the questions. The asset information in each SIPP panel is gathered at different points following the first interview.

¹⁵⁹ Includes earnings from the SSI recipient.

Appendix Exhibit E.4 (continued):
Characteristics of SSI Recipients in January 1990, 1991, 1992, and 1993:
Older Men (age 41 to 64)

Characteristics	1990	1991	1992	1993
Program Participation of Family¹⁶⁰				
AFDC	0.0	8.1	1.1	7.2
Food Stamps	31.9	47.0	39.3	42.0
Past Program Participation of Family¹⁶¹				
Missing	12.4	7.2	0.0	0.0
Past AFDC Recipient	1.4	8.1	2.2	7.2
Past Food Stamps Recipient	30.7	41.3	50.8	48.9
Federal SSI Payment (in 1993 dollars)				
None	9.2	1.4	17.5	5.2
\$1-\$249	28.4	49.5	20.2	29.1
\$250-\$499	61.2	49.2	61.1	65.8
\$500 or more	1.2	0.0	1.2	0.0
Mean of Payments >0	\$304	\$257	\$331	\$316
State Supplementation (in 1993 dollars)				
None	61.5	64.1	54.0	59.1
\$1-\$149	20.9	19.9	25.1	24.4
\$150 or more	17.6	16.0	20.9	16.5
Mean of Payments >0	\$160	\$131	\$123	\$110

¹⁶⁰ One or more family members received benefits in January of year indicated.

¹⁶¹ Individual received benefit in some period prior to January of year indicated.

Appendix Exhibit E.4 (continued):
Characteristics of SSI Recipients in January 1990, 1991, 1992, and 1993:
Older Men (age 41 to 64)

Characteristics	1990	1991	1992	1993
SSI Reciprocity In Other Years ¹⁶²				
Pre-1984	49.8	40.0	38.5	36.1
1984-1985	61.1	40.0	41.2	41.1
1986-1987	77.0	43.3	52.8	49.7
1988-1989	98.8	68.0	62.9	60.6
1990-1991	100.0	100.0	96.2	81.8
1992-1993	85.7	89.7	100.0	100.0
1994-1995	76.0	73.9	78.4	91.3
1996-1997	62.7	64.4	66.3	76.9
Year of First SSI Application				
Pre-1984	67.3	59.6	54.2	58.4
1984-1985	11.2	6.2	9.5	6.4
1986-1987	9.1	4.0	7.1	10.0
1988-1989	11.3	13.2	7.9	2.8
1990-1991	1.2	17.0	17.5	11.7
1992-1993	--	--	3.8	10.6

¹⁶² Includes individuals who were SSI recipients at least one month during the two-year period.

**Appendix Exhibit E.4 (continued):
Characteristics of SSI Recipients in January 1990, 1991, 1992, and 1993:
Older Men (age 41 to 64)**

Characteristics	1990	1991	1992	1993
Health Status				
Missing	14.5	11.5	16.7	10.3
Poor	34.0	43.9	28.4	34.9
Fair	35.1	26.4	33.8	28.6
Good	12.8	13.3	12.7	22.6
Excellent/Very Good	3.7	4.8	8.4	3.5
One Period Disability Status¹⁶³				
Missing	14.5	11.5	16.7	10.3
No Disability	3.9	2.8	4.1	1.2
Any Disability ¹⁶⁴	81.6	85.7	79.2	88.5
• Severe Disability ¹⁶⁵	81.0	77.8	74.9	85.0
Functional Limitation, ADL, and IADL Status¹⁶⁶				
Missing	14.5	11.5	16.7	10.3
No Functional Disability	17.6	25.4	25.9	18.0
Any Functional Limitation, ADL, or IADL ¹⁶⁷	67.9	63.1	57.5	71.7
• Any Severe Functional Limitation, ADL, or IADL ¹⁶⁸	59.3	52.7	49.1	60.0
• Multiple Functional Limitations, ADLs, or IADLs ¹⁶⁹	56.2	50.4	51.2	58.6

¹⁶³ Based on definition of disability used by McNeil (1993) and Kruse (1997).

¹⁶⁴ Reports a limitation in kind or amount of work or housework he or she can do; has difficulty with any of the functional activities or ADLs; uses a wheelchair; has used a cane, crutches, or walker for more than six months; has a disabling mental or emotional condition.

¹⁶⁵ Includes those who use a wheelchair, used a cane, crutches or walker for more than six months, are unable to do a functional activity, need assistance with an ADL, report being prevented from doing work or housework, or have mental retardation, Alzheimer's, senility, dementia, or a developmental disability such as autism or cerebral palsy.

¹⁶⁶ Based on definition of disability used by Hu, Lahiri, Vaughan, and Wixon (1997).

¹⁶⁷ Functional Limitations, ADLs, and IADL include the following categories: getting around the home, sitting in chair, showering, dressing, eating, using the toilet, getting out side the home, handling money and bills, preparing a meal, doing light housework, using the telephone, lifting ten pounds, walking stairs, walking 0.25 miles, and walking.

¹⁶⁸ A severe Functional Limitation, ADL, or IADL means that the respondent either required personal assistance or was unable to perform a certain task.

¹⁶⁹ Includes those who report difficulties with at least two functional limitations, ADLs, or IADLs.

Appendix Exhibit E.4 (continued):
Characteristics of SSI Recipients in January 1990, 1991, 1992, and 1993:
Older Men (age 41 to 64)

Characteristics	1990	1991	1992	1993
Multi-period Work Limitation Status¹⁷⁰				
Missing	21.8	NA	25.8	10.3
No limitations	7.1	NA	2.8	31.2
Only one month	11.5	NA	1.3	8.0
Both months	59.6	NA	70.1	67.8

¹⁷⁰ Based on limitations reported in October of current year and October of the following year. See Burkhauser and Wittenburg (1996).

Appendix Exhibit E.5:
Characteristics of AFDC Recipients in January 1990, 1991, 1992, and 1993:
Young Women (age 18 to 40)¹⁷¹

Characteristics	1990	1991	1992	1993
Total				
Unweighted Sample	683	386	594	689
Weighted Sample (x1,000)	2,566	2,685	2,992	3,518
Attrition¹⁷²				
% not completing one year of SIPP interviews	19.5	15.8	14.7	16.2
% not completing the full SIPP panel	34.9	26.9	33.5	37.1
Age				
18-24	32.5	34.1	36.0	29.6
25-29	26.7	23.6	26.0	24.5
30-34	24.9	23.0	23.6	26.5
35-40	15.9	19.3	14.5	19.4
Marital Status				
Married	13.6	15.4	15.4	17.8
Never Married	52.0	45.4	51.2	49.5
Divorced/Separated/Widowed	34.4	39.2	33.4	32.7
Race/Ethnicity				
Hispanic	15.7	20.8	16.9	21.1
Black (excluding Hispanic)	40.9	33.3	37.2	33.2
White	39.7	41.2	42.7	40.7
Other	3.7	4.7	3.2	5.0
Education Attained¹⁷³				
0-11 years	45.7	51.5	42.3	45.1
12 years	39.0	34.8	41.8	37.5
13-15 years	14.3	11.7	14.2	16.3
16 or more years	1.0	1.9	1.7	1.1

¹⁷¹ Includes individuals who were interviewed in first wave of the 1990, 1991, 1992, or 1993 SIPP panels. A SSI recipient is defined as an individual who is “in payment status”—i.e., SSA records show that this person was scheduled to receive a payment. Our AFDC sample includes individuals who lived in families that received an AFDC payment during January of that year.

¹⁷² Excludes individuals who died during the panel period.

¹⁷³ Includes the number of education years completed. Persons who receive a high school equivalency are included in the 12 years category.

**Appendix Exhibit E.5 (continued):
Characteristics of AFDC Recipients in January 1990, 1991, 1992, and 1993:
Young Women (age 18 to 40)**

Characteristics	1990	1991	1992	1993
Household Size ¹⁷⁴				
1 person	0.3	0.0	0.0	0.0
2 persons	17.1	12.6	14.5	14.8
3-4 persons	48.3	51.8	52.8	48.6
5 persons or more	34.3	35.6	33.0	36.6
Family Size ¹⁷⁵				
1 person	1.4	0.3	0.5	0.9
2 persons	18.5	14.4	16.0	16.8
3-4 persons	46.9	52.4	52.6	49.0
5 persons or more	33.3	33.0	30.9	33.4
Children and Adults in the Household and Family ¹⁷⁶				
% w/at least one child in the household	99.4	99.5	99.5	98.6
% w/at least one adult in the household (other than the recipient)	47.2	47.4	49.5	48.9
% w/at least one child in the family	98.4	99.2	99.0	98.0
% w/at least one adult in the family (other than the recipient)	41.3	41.2	43.9	42.0
Own Children ¹⁷⁷				
% with Own Children	97.1	97.6	97.3	95.8
Age of Youngest Child				
• None	2.9	2.4	2.7	4.2
• 0-2	49.5	46.2	48.7	43.8
• 3-5	20.2	23.3	23.8	24.5
• 6-12	22.8	24.0	20.1	23.0
• 13-17	4.7	4.1	4.7	4.7

¹⁷⁴ Based on household size at first interview.

¹⁷⁵ The Census defines a “family” as a group of two or more persons (one of who is the “householder”) related by birth, marriage, or adoption and residing together; all such persons (including related subfamily members) are considered members of one family.

¹⁷⁶ Children include individuals under age 18.

¹⁷⁷ Includes only those with children under 18 who are living in the family at the time of the SIPP interview.

Appendix Exhibit E.5 (continued):
Characteristics of AFDC Recipients in January 1990, 1991, 1992, and 1993:
Young Women (age 18 to 40)

Characteristics	1990	1991	1992	1993
Monthly Family Income for January (in 1993 dollars)¹⁷⁸				
Less than \$500	36.9	35.0	40.8	37.7
\$500-\$999	36.2	36.4	34.2	38.7
\$1,000-\$1,499	9.9	11.1	9.8	9.2
\$1,500-\$1,999	3.9	4.1	3.9	5.6
\$2,000 or more	13.1	13.3	11.3	8.8
Mean	\$1,037	\$1,089	\$995	\$953
Family Income as a % of Poverty for January¹⁷⁹				
Less than 1.00	79.0	78.1	80.3	83.0
1.00-1.49	10.7	8.9	9.2	7.1
1.50-2.00	4.0	6.0	3.7	3.6
2.00-2.99	3.8	4.5	4.1	3.3
3.00 or more	2.5	2.6	2.7	3.0
Monthly Family Income for the Calendar Year (in 1993 dollars)¹⁸⁰				
Missing	17.7	14.2	14.0	14.9
Less than \$500	26.0	24.1	25.4	28.0
\$500-\$999	31.8	34.3	34.7	31.6
\$1,000-\$1,499	9.1	13.7	10.8	13.0
\$1,500-\$1,999	3.9	3.8	6.2	5.0
\$2,000 or more	11.4	9.9	9.0	7.4
Mean	\$1,090	\$1,115	\$1,034	\$982
Family Income as a % of Poverty for the Year				
Missing	17.7	14.2	14.0	14.9
Less than 1.00	62.9	66.6	64.7	67.7
1.00-1.49	9.1	9.6	11.6	9.8
1.50-1.99	3.7	2.9	5.6	2.8
2.00-2.99	3.8	4.2	2.0	2.8
3.00 or more	2.8	2.5	2.2	2.0

¹⁷⁸ Based on monthly income for January. Income is adjusted using the Consumer Price Index.

¹⁷⁹ Based on monthly income for January.

¹⁸⁰ Based on Total Annual Income divided by twelve. Income is adjusted using the Consumer Price Index. Missing cases are due to sample attrition

**Appendix Exhibit E.5 (continued):
Characteristics of AFDC Recipients in January 1990, 1991, 1992, and 1993:
Young Women (age 18 to 40)**

Characteristics	1990	1991	1992	1993
Monthly Personal Income for January (in 1993 dollars)¹⁸¹				
Less than \$500	57.6	55.2	58.5	56.0
\$500-\$999	37.2	38.0	35.7	37.6
\$1,000-\$1,499	4.3	4.6	5.0	5.5
\$1,500-\$1,999	0.6	1.0	0.2	0.6
\$2,000 or more	0.3	1.2	0.6	0.3
Mean	\$488	\$534	\$498	\$499
Household Assets (in 1993 dollars)¹⁸²				
Missing	7.2	18.5	8.5	20.6
\$0-\$1,999	69.2	56.6	65.9	48.9
\$2,000-\$9,999	10.6	12.7	12.2	17.6
\$10,000-\$24,999	4.4	5.3	4.6	5.4
\$25,000 or more	8.6	6.8	8.8	7.5
Mean	\$10,431	\$10,116	\$10,394	\$9,287
January Labor Earnings (in 1993 dollars)				
% with own labor earnings	9.8	9.9	12.0	8.9
• Mean of earnings>0	\$433	\$433	\$615	\$600
• Median of earnings>0	\$354	359	\$515	\$400
% living in a family with earnings ¹⁸³	27.1	27.6	26.4	24.0
• Mean of family earnings>0	\$1,553	\$1,610	\$1,643	\$1,519
• Median of family earnings>0	\$1,001	\$955	\$958	\$886

¹⁸¹ Based on monthly income for January. Income is adjusted using the Consumer Price Index.

¹⁸² Total household asset values include home equity, net vehicle equity, business equity, interest earning assets held at banks or other institutions, stock and mutual fund shares, real estate, other assets, and IRA accounts. Assets are adjusted using the Consumer Price Index. There are some missing values for assets because of the timing of the questions. The asset information in each SIPP panel is gathered at different points following the first interview.

¹⁸³ Includes earnings from the SSI recipient.

**Appendix Exhibit E.5 (continued):
Characteristics of AFDC Recipients in January 1990, 1991, 1992, and 1993:
Young Women (age 18 to 40)**

Characteristics	1990	1991	1992	1993
Other Program Participation in Current Year¹⁸⁴				
SSI	1.7	4.7	3.0	3.7
Food Stamps	86.8	90.3	92.2	93.8
SSI Reciprocity In Other Years¹⁸⁵				
Never a Recipient	90.6	89.1	92.9	93.3
Pre-1984	1.7	1.3	0.7	0.3
1984-1985	1.0	1.9	1.3	0.5
1986-1987	1.0	3.0	1.5	1.2
1988-1989	1.7	3.9	2.0	1.7
1990-1991	3.7	4.7	3.2	3.0
1992-1993	5.6	6.8	4.4	4.2
1994-1995	6.6	9.9	4.9	5.6
1996-1997	7.5	10.5	6.3	6.3
Year of First SSI Application				
Never Applied	83.2	85.8	86.6	85.2
Pre-1984	3.7	2.6	2.2	2.5
1984-1985	0.9	1.0	0.7	0.9
1986-1987	1.0	1.3	0.8	0.7
1988-1989	0.9	1.0	1.5	1.2
1990-1991	2.8	1.3	1.2	2.6
1992-1993	3.7	2.8	2.5	2.8
1994-1995	2.0	2.1	2.0	2.8
1996-1997	1.9	2.1	2.4	1.5

¹⁸⁴ Food Stamp participation is based on family-level participation. SSI participation is based on individual-level participation.

¹⁸⁵ Includes individuals who were SSI recipients at least one month during the two-year period.

**Appendix Exhibit E.5 (continued):
Characteristics of AFDC Recipients in January 1990, 1991, 1992, and 1993:
Young Women (age 18 to 40)**

Characteristics	1990	1991	1992	1993
Health Status				
Missing	13.9	10.9	21.4	14.7
Poor	3.0	2.9	2.9	4.3
Fair	12.7	16.3	12.1	13.1
Good	34.0	32.8	30.4	31.4
Excellent/Very Good	36.4	37.2	33.2	36.4
One Period Disability Status¹⁸⁶				
Missing	13.9	10.9	21.4	14.7
No Disability	66.8	66.2	60.8	64.7
Any Disability ¹⁸⁷	19.4	22.9	17.8	20.7
• Severe Disability ¹⁸⁸	13.1	18.5	12.5	16.0
Functional Limitation, ADL, and IADL Status¹⁸⁹				
Missing	13.9	10.9	21.4	14.7
No Functional Limitation	74.4	72.9	68.4	72.3
Any Functional Limitation, ADL, or IADL ¹⁹⁰	11.8	16.2	10.2	13.0
• Any Severe Functional Limitation, ADL, or IADL ¹⁹¹	10.2	12.7	8.3	11.1
• Multiple Functional Limitations, ADLs, or IADLs ¹⁹²	7.6	9.3	6.6	8.5

¹⁸⁶ Based on definition of disability used by McNeil (1993) and Kruse (1997).

¹⁸⁷ Reports a limitation in kind or amount of work or housework he or she can do; has difficulty with any of the functional activities or ADLs; uses a wheelchair; has used a cane, crutches, or walker for more than six months; has a disabling mental or emotional condition.

¹⁸⁸ Includes those who use a wheelchair, used a cane, crutches or walker for more than six months, are unable to do a functional activity, need assistance with an ADL, report being prevented from doing work or housework, or have mental retardation, Alzheimer's, senility, dementia, or a developmental disability such as autism or cerebral palsy.

¹⁸⁹ Based on definition of disability used by Hu, Lahiri, Vaughan, and Wixon (1997).

¹⁹⁰ Functional Limitations, ADLs, and IADL include the following categories: getting around the home, sitting in chair, showering, dressing, eating, using the toilet, getting out side the home, handling money and bills, preparing a meal, doing light housework, using the telephone, lifting ten pounds, walking stairs, walking 0.25 miles, and walking.

¹⁹¹ A severe Functional Limitation, ADL, or IADL means that the respondent either required personal assistance or was unable to perform a certain task.

¹⁹² Includes those who report difficulties with at least two functional limitations, ADLs, or IADLs.

Appendix Exhibit E.5 (continued):
Characteristics of AFDC Recipients in January 1990, 1991, 1992, and 1993:
Young Women (age 18 to 40)

Characteristics	1990	1991	1992	1993
Multi-period Work Limitation Status¹⁹³				
Missing	25.6	N/A	31.1	19.5
No limitations	57.2	N/A	54.2	62.7
Only one month	4.9	N/A	3.4	6.1
Both months	12.3	N/A	11.3	11.6

¹⁹³ Based on limitations reported in October of current year and October of the following year. See Burkhauser and Wittenburg (1996).

Appendix Exhibit E.6:
Characteristics of SSI Recipients in January 1990, 1991, 1992, and 1993:
Children (age 0 to 17)¹⁹⁴

Characteristics	1990	1991	1992	1993
Total				
Unweighted Sample	143	118	207	234
Weighted Sample (x1,000)	349	388	479	555
Attrition¹⁹⁵				
% not completing one year of SIPP interviews	11.4	10.4	9.3	12.7
% not completing the full SIPP panel	29.8	19.4	24.4	31.8
Sex				
Male	59.8	58.5	69.6	69.3
Female	40.2	41.5	30.4	30.7
Age				
0-2	5.6	4.5	7.4	6.5
3-5	12.7	21.8	8.7	13.9
6-12	47.0	37.6	47.9	46.5
13-17	34.6	36.1	36.0	33.1
Race/Ethnicity				
Hispanic	14.0	8.6	24.3	15.7
Black (excluding Hispanic)	54.8	55.4	37.2	39.7
White	23.4	36.0	37.6	42.9
Other	7.7	0.0	0.9	1.7
Household Size¹⁹⁶				
1 person	0.0	0.0	0.0	0.0
2 persons	16.4	7.1	5.2	6.7
3-4 persons	44.6	58.7	47.6	35.5
5 persons or more	38.9	34.2	47.2	57.8
Family Size¹⁹⁷				
1 person	2.0	5.7	0.0	1.2
2 persons	16.5	12.1	7.1	6.7
3-4 persons	44.7	48.0	48.4	37.6
5 persons or more	36.8	34.2	44.6	54.5

¹⁹⁴ Includes individuals who were interviewed in first wave of the 1990, 1991, 1992, or 1993 SIPP panels. A SSI recipient is defined as an individual who is “in payment status”—i.e., SSA records show that this person was scheduled to receive a payment. Our SSI sample includes individuals who were recipients according to SSA records in January of the calendar year.

¹⁹⁵ Excludes individuals who died during the panel period.

¹⁹⁶ Based on household size at first interview.

¹⁹⁷ The Census defines a “family” as a group of two or more persons (one of who is the “householder”) related by birth, marriage, or adoption and residing together; all such persons (including related subfamily members) are considered members of one family.

**Appendix Exhibit E.6 (continued):
Characteristics of SSI Recipients in January 1990, 1991, 1992, and 1993:
Children (age 0 to 17)**

Characteristics	1990	1991	1992	1993
Children in the Household and Family¹⁹⁸				
% w/at least one other child in the household	67.0	83.8	89.6	84.7
% w/at least one other child in the family	67.0	79.8	89.6	83.5
Parents in the Family¹⁹⁹				
Mother-only	56.3	53.4	48.8	51.7
Father-only	0.7	1.7	3.9	0.0
Both parents present	35.2	36.4	44.9	44.9
Missing parent or no parent present	7.7	8.5	2.4	3.4
Monthly Family Income for January (in 1993 dollars)²⁰⁰				
Less than \$500	18.2	27.7	8.6	11.6
\$500-\$999	28.1	20.7	29.2	27.3
\$1,000-\$1,499	15.8	14.4	28.4	28.2
\$1,500-\$1,999	15.0	12.5	7.5	12.1
\$2,000 or more	22.9	24.7	26.3	20.8
Mean	\$1,358	\$1,332	\$1,492	\$1,373
Family Income as a % of Poverty for January²⁰¹				
Less than 1.00	48.6	55.7	50.6	64.6
1.00-1.49	25.9	11.5	28.0	15.5
1.50-2.00	14.3	2.7	6.6	11.4
2.00-2.99	8.7	20.8	12.7	6.8
3.00 or more	2.5	9.4	2.1	1.7

¹⁹⁸ Children include individuals under age 18.

¹⁹⁹ A small number of children in the SIPP do not have a "parent" present because they either live on their own or there is no parent present.

²⁰⁰ Based on monthly income for January. Income is adjusted using the Consumer Price Index.

²⁰¹ Based on monthly income for January.

**Appendix Exhibit E.6 (continued):
Characteristics of SSI Recipients in January 1990, 1991, 1992, and 1993:
Children (age 0 to 17)**

Characteristics	1990	1991	1992	1993
Monthly Family Income for the Calendar Year (in 1993 dollars)²⁰²				
Missing	6.8	8.2	8.5	14.9
Less than \$500	10.4	13.8	2.6	1.8
\$500-\$999	25.0	27.9	26.3	26.5
\$1,000-\$1,499	22.6	34.6	25.8	33.1
\$1,500-\$1,999	10.1	6.2	11.9	5.3
\$2,000 or more	25.1	9.2	24.9	18.4
Mean	\$1,519	\$1,210	\$1,568	\$1,465
Family Income as a % of Poverty for the Year				
Missing	6.8	8.2	8.5	14.9
Less than 1.00	38.0	51.6	44.3	54.4
1.00-1.49	31.5	23.4	24.7	11.9
1.50-1.99	7.5	2.1	12.7	12.5
2.00-2.99	12.4	10.6	7.7	3.8
3.00 or more	3.8	4.2	2.1	2.5
Household Assets (in 1993 dollars)²⁰³				
Missing	6.1	15.0	4.7	18.0
\$0-\$1,999	45.0	49.0	54.4	29.2
\$2,000-\$9,999	16.9	7.6	17.3	26.5
\$10,000-\$24,999	19.4	8.0	9.3	8.7
\$25,000 or more	12.5	20.5	14.2	17.5
Mean	\$19,701	\$27,249	\$12,639	\$20,949

²⁰² Based on Total Annual Income divided by twelve. Income is adjusted using the Consumer Price Index. Missing cases are due to sample attrition

²⁰³ Total household asset values include home equity, net vehicle equity, business equity, interest earning assets held at banks or other institutions, stock and mutual fund shares, real estate, other assets, and IRA accounts. Assets are adjusted using the Consumer Price Index. There are some missing values for assets because of the timing of the questions. The asset information in each SIPP panel is gathered at different points following the first interview.

Appendix Exhibit E.6 (continued):
Characteristics of SSI Recipients in January 1990, 1991, 1992, and 1993:
Children (age 0 to 17)

Characteristics	1990	1991	1992	1993
Program Participation of Family²⁰⁴				
AFDC	29.8	36.3	25.4	27.7
Food Stamps	42.5	42.4	48.1	51.5
Federal SSI Payment (in 1993 dollars)				
None	0.0	1.7	1.8	1.5
\$1-\$249	8.9	11.5	14.1	10.0
\$250-\$499	91.1	86.9	84.0	88.4
\$500 or more	0.0	0.0	0.0	0.0
Mean of Payments >0	\$365	\$367	\$371	\$380
State Supplementation (in 1993 dollars)				
None	76.3	63.5	60.7	75.4
\$1-\$149	17.6	36.5	37.4	22.0
\$150 or more	6.1	0.0	1.9	2.5
Mean of Payments >0	\$106	\$53	\$52	\$45
SSI Reciprocity In Other Years²⁰⁵				
Pre-1984	16.9	18.9	15.2	8.7
1984-1985	30.9	28.9	26.6	12.7
1986-1987	48.9	34.6	35.7	25.3
1988-1989	96.3	60.5	51.4	42.7
1990-1991	100.0	100.0	95.1	70.7
1992-1993	96.8	100.0	100.0	100
1994-1995	91.2	97.5	96.3	95.0
1996-1997	89.7	92.0	92.3	90.7
Year of First SSI Application				
Pre-1984	20.3	22.3	21.0	8.7
1984-1985	22.2	12.5	12.6	8.3
1986-1987	26.4	12.2	15.5	13.4
1988-1989	28.6	19.4	9.9	14.7
1990-1991	2.6	33.7	36.1	27.2
1992-1993	--	--	4.9	27.6

²⁰⁴ One or more family members received benefits in January of year indicated.

²⁰⁵ Includes individuals who were SSI recipients at least one month during the two-year period.

**Appendix Exhibit E.6 (continued):
 Characteristics of SSI Recipients in January 1990, 1991, 1992, and 1993:
 Children (age 0 to 17)**

Characteristics	1990	1991	1992	1993
One Period Disability Status²⁰⁶				
Missing	11.7	12.2	14.7	17.1
No Disability	31.8	19.4	36.2	29.8
Any Disability	56.5	68.4	49.1	53.1

²⁰⁶ There are two definitions of disabilities used based on the age of the child. For those under age six, disability is defined as a child (as reported in the SIPP by the parent) that had a physical, learning, or mental health condition that limits him/her in the usual kind of activities by most children their age. For those age six and over, disability is defined as a child (as reported in the SIPP by the parent) that had a physical, learning, or mental health condition that limits him/her in the ability to do regular school work.

Appendix Exhibit E.7:
Characteristics of AFDC Recipients in January 1990, 1991, 1992, and 1993:
Children (age 0 to 17)²⁰⁷

Characteristics	1990	1991	1992	1993
Total				
Unweighted Sample	1,720	1,025	1,483	1,715
Weighted Sample (x1,000)	5,764	6,477	7,021	8,360
Attrition²⁰⁸				
% not completing one year of SIPP interviews	18.6	14.2	13.3	14.5
% not completing the full SIPP panel	34.3	28.1	30.2	35.3
Sex				
Male	47.8	50.2	51.4	51.9
Female	52.2	49.8	48.6	48.1
Age				
0-2	24.3	22.9	24.8	22.8
3-5	20.7	19.9	21.8	21.4
6-12	38.0	40.0	36.6	37.2
13-17	17.0	17.1	16.8	18.6
Race/Ethnicity				
Hispanic	18.4	22.0	20.8	26.2
Black (excluding Hispanic)	41.1	34.0	39.9	34.5
White	33.6	35.6	34.7	34.0
Other	6.9	8.5	4.6	5.3
Household Size²⁰⁹				
1 person	0.0	0.0	0.0	0.0
2 persons	8.2	6.2	8.0	6.4
3-4 persons	43.5	44.9	45.9	43.8
5 persons or more	48.3	48.8	46.1	49.8
Family Size²¹⁰				
1 person	0.3	0.0	0.1	0.1
2 persons	8.9	7.0	9.0	7.6
3-4 persons	43.7	46.5	47.3	45.2
5 persons or more	47.1	46.5	43.6	47.1

²⁰⁷ Includes individuals who were interviewed in first wave of the 1990, 1991, 1992, or 1993 SIPP panels. A SSI recipient is defined as an individual who is “in payment status”—i.e., SSA records show that this person was scheduled to receive a payment. Our AFDC sample includes individuals who lived in families that received an AFDC payment during January of that year.

²⁰⁸ Excludes individuals who died during the panel period.

²⁰⁹ Based on household size at first interview.

²¹⁰ The Census defines a “family” as a group of two or more persons (one of who is the “householder”) related by birth, marriage, or adoption and residing together; all such persons (including related subfamily members) are considered members of one family.

**Appendix Exhibit E.7 (continued):
 Characteristics of AFDC Recipients in January 1990, 1991, 1992, and 1993:
 Children (age 0 to 17)**

Characteristics	1990	1991	1992	1993
Children and in the Household and Family²¹¹				
% w/at least one other child in the household	86.1	87.8	86.0	88.9
% w/at least one other child in the family	86.0	87.7	85.9	88.6
Parents in the Family²¹²				
Mother-only	84.5	78.8	81.9	75.9
Father-only	1.8	2.1	2.0	1.6
Both parents present	13.4	18.8	15.6	21.8
Missing parent or no parent present	0.3	1.3	0.4	0.7
Monthly Family Income for January (in 1993 dollars)²¹³				
Less than \$500	33.0	31.5	36.2	33.2
\$500-\$999	37.2	38.8	39.9	41.8
\$1,000-\$1,499	11.7	12.4	11.3	12.6
\$1,500-\$1,999	5.2	4.2	4.2	5.6
\$2,000 or more	12.9	13.1	8.5	6.6
Mean	\$1,033	\$1,073	\$897	\$892
Family Income as a % of Poverty for January²¹⁴				
Less than 1.00	81.4	79.3	83.7	85.7
1.00-1.49	10.2	9.8	9.4	7.2
1.50-2.00	3.9	5.8	3.1	3.2
2.00-2.99	2.8	3.2	2.7	2.0
3.00 or more	1.7	1.9	1.1	1.8

²¹¹ Children include individuals under age 18.

²¹² A small number of children in the SIPP do not have a "parent" present because they either live on their own or there is no parent present.

²¹³ Based on monthly income for January. Income is adjusted using the Consumer Price Index.

²¹⁴ Based on monthly income for January.

**Appendix Exhibit E.7 (continued):
Characteristics of AFDC Recipients in January 1990, 1991, 1992, and 1993:
Children (age 0 to 17)**

Characteristics	1990	1991	1992	1993
Monthly Family Income for the Calendar Year (in 1993 dollars)²¹⁵				
Missing	18.0	14.1	13.6	14.3
Less than \$500	22.3	20.1	21.6	24.6
\$500-\$999	31.9	37.7	41.6	33.9
\$1,000-\$1,499	11.5	14.4	11.4	15.6
\$1,500-\$1,999	5.6	4.4	6.2	5.5
\$2,000 or more	10.7	9.2	5.7	6.0
Mean	\$1,079	\$1,107	\$924	\$945
Family Income as a % of Poverty for the Year				
Missing	18.0	14.1	13.6	14.3
Less than 1.00	64.1	68.7	70.9	71.7
1.00-1.49	10.1	8.5	10.0	7.8
1.50-1.99	3.2	3.7	3.3	3.3
2.00-2.99	2.9	3.3	1.6	2.0
3.00 or more	1.8	1.8	0.6	0.9
Monthly Personal Income for January (in 1993 dollars)²¹⁶				
Less than \$500	99.9	99.9	99.7	99.9
\$500-\$999	0.1	0.1	0.3	0.1
\$1,000-\$1,499	0.0	0.0	0.0	0.1
\$1,500-\$1,999	0.0	0.0	0.0	0.0
\$2,000 or more	0.0	0.0	0.0	0.0
Mean	\$4	\$5	\$4	\$4
Household Assets (in 1993 dollars)²¹⁷				
Missing	8.5	18.7	9.4	18.8
\$0-\$1,999	69.3	57.9	67.3	50.1
\$2,000-\$9,999	8.7	12.7	10.4	17.5
\$10,000-\$24,999	4.9	4.1	4.5	5.3
\$25,000 or more	8.5	6.6	8.3	8.4
Mean	\$9,233	\$9,354	\$9,081	\$9,442

²¹⁵ Based on Total Annual Income divided by twelve. Income is adjusted using the Consumer Price Index. Missing cases are due to sample attrition

²¹⁶ Based on monthly income for January. Income is adjusted using the Consumer Price Index.

²¹⁷ Total household asset values include home equity, net vehicle equity, business equity, interest earning assets held at banks or other institutions, stock and mutual fund shares, real estate, other assets, and IRA accounts. Assets are adjusted using the Consumer Price Index. There are some missing values for assets because of the timing of the questions. The asset information in each SIPP panel is gathered at different points following the first interview.

Appendix Exhibit E.7 (continued):
Characteristics of AFDC Recipients in January 1990, 1991, 1992, and 1993:
Children (age 0 to 17) ²¹⁸

Characteristics	1990	1991	1992	1993
Program Participation of Family²¹⁹				
SSI	1.8	2.2	1.7	1.8
Food Stamps	89.4	88.7	93.8	93.4
Federal SSI Payment (in 1993 dollars)				
None	98.2	97.8	98.3	98.2
\$1-\$249	0.1	0.1	0.4	0.2
\$250-\$499	1.7	2.1	1.4	1.6
\$500 or more	0.0	0.0	0.0	0.0
Mean of Payments >0	\$355	\$387	\$352	\$377
State Supplementation (in 1993 dollars)				
None	99.7	99.1	98.9	99.7
\$1-\$149	0.3	0.9	1.1	0.3
\$150 or more	0.0	0.0	0.0	0.0
Mean of Payments >0	\$43	\$53	\$46	\$29
SSI Reciprocity In Other Years²²⁰				
Never a Recipient	93.3	93.5	95.5	95.5
Pre-1984	0.1	0.2	0.1	0.1
1984-1985	0.3	0.3	0.4	0.1
1986-1987	0.5	0.4	0.4	0.2
1988-1989	1.8	1.1	0.6	0.6
1990-1991	3.1	3.4	1.5	0.9
1992-1993	4.8	5.8	3.0	3.0
1994-1995	6.3	6.2	4.1	3.9
1996-1997	6.5	6.0	4.1	4.2

²¹⁸ Includes individuals who lived in families that received an AFDC payment during January of that year.

²¹⁹ One or more family members received benefits in January of year indicated.

²²⁰ Includes individuals who were SSI recipients at least one month during the two-year period.

Appendix Exhibit E.7 (continued):
Characteristics of AFDC Recipients in January 1990, 1991, 1992, and 1993:
Children (age 0 to 17) ²²¹

Characteristics	1990	1991	1992	1993
Year of First SSI Application				
Never Filed Application	88.2	88.4	90.5	90.1
Pre-1984	0.3	0.4	0.1	0.1
1984-1985	0.5	0.3	0.5	0.2
1986-1987	1.0	0.7	0.4	0.1
1988-1989	0.5	0.7	0.3	0.5
1990-1991	1.7	2.0	1.2	0.8
1992-1993	3.3	3.8	3.0	3.3
1994-1995	2.9	2.5	2.5	3.4
1996-1997	1.5	1.2	1.4	1.5
One Period Disability Status ²²²				
Missing	18.1	6.3	24.5	15.9
No Disability	78.0	88.1	72.0	77.6
Any Disability	4.0	5.6	3.5	6.4
Multi-period Disability Status				
Missing	29.4	NA	32.5	26.2
No limitations	65.6	NA	61.4	65.6
Only one month	3.4	NA	4.5	5.1
Both months	1.6	NA	3.5	2.7

²²¹ Includes individuals who lived in families that received an AFDC payment during January of that year.

²²² There are two definitions of disabilities used based on the age of the child. For those under age six, disability is defined as a child (as reported in the SIPP by the parent) that had a physical, learning, or mental health condition that limits him/her in the usual kind of activities by most children their age. For those age six and over, disability is defined as a child (as reported in the SIPP by the parent) that had a physical, learning, or mental health condition that limits him/her in the ability to do regular school work.

Appendix Exhibit E.8
Characteristics of Post-SIPP SSI Recipients from the 1990 through
1993 SIPP Panels²²³

CHARACTERISTICS	Age 18 to 40		Age 41 to 64		Age 0 to 17
	Women	Men	Women	Men	Children
Total					
Sample Size	323	248	329	366	528
Sample Size by Panel					
1990	113	95	111	128	160
1991	62	47	67	79	107
1992	72	59	78	75	143
1993	76	47	73	84	118
Sex					
Male	0.0	100.0	0.0	100.0	65.9
Female	100.0	0.0	100.0	0.0	34.1
Age					
0-5	NA	NA	NA	NA	37.9
6-12	NA	NA	NA	NA	38.1
13-17	NA	NA	NA	NA	24.1
18-30	42.7	46.8	NA	NA	NA
31-40	57.3	53.2	NA	NA	NA
41-50	NA	NA	36.6	37.7	NA
51-60	NA	NA	42.1	45.1	NA
61-64	NA	NA	21.3	17.2	NA
Marital Status					
Married	34.4	30.2	38.5	54.1	NA
Never Married	34.4	52.0	10.3	12.0	NA
Divorced/Separated/Widowed	31.2	17.7	51.2	33.8	NA
Race/Ethnicity					
Hispanic	10.8	16.9	21.6	16.7	16.1
Black (excluding Hispanic)	28.2	20.2	22.5	18.0	36.2
White	56.7	60.1	47.5	59.3	44.9
Other	4.3	2.8	8.4	6.0	2.8

²²³ Includes individuals who became SSI recipients five years after their first SIPP interview in the 1990, 1991, 1992, or 1993 SIPP Panel. An SSI recipient is defined as an individual who is “in payment status”—i.e., SSA records show that this person was scheduled to receive a payment.

Appendix Exhibit E.8 (Continued)
Characteristics of Post-SIPP SSI Recipients from the 1990 through
1993 SIPP Panels

	Age 18 to 40		Age 41 to 64		Age 0 to 17
CHARACTERISTICS	Women	Men	Women	Men	Children
Education Attained²²⁴					
0-11 years	45.2	41.1	61.1	61.7	NA
12 years	35.9	38.3	27.4	28.1	NA
13-15 years	16.4	15.7	8.4	6.0	NA
16 or more years	2.5	4.8	3.1	4.1	NA
Household Size²²⁵					
1 person	6.2	14.9	17.2	20.2	NA
2 persons	19.2	17.3	32.8	30.2	4.7
3-4 persons	46.4	44.4	30.7	34.7	54.2
5 persons or more	28.2	23.4	19.3	14.8	41.1
Family Size²²⁶					
1 person	12.1	26.6	21.8	32.5	0.9
2 persons	17.0	13.7	30.5	22.7	6.1
3-4 persons	45.2	39.1	29.5	31.1	54.0
5 persons or more	25.7	20.6	18.2	13.7	39.0
Parents in the Family²²⁷					
Mother-only	NA	NA	NA	NA	53.2
Father-only	NA	NA	NA	NA	2.7
Both parents	NA	NA	NA	NA	44.1
Missing or no parent	NA	NA	NA	NA	0.0
Children and Adults in the Household and Family²²⁸					
% w/at least one child in household	74.9	33.1	21.1	15.3	NA
% w/at least one adult in the household (other than the recipient)	69.7	83.1	73.6	78.4	NA
% w/at least one child in family	73.4	29.0	20.5	13.9	NA
% w/at least one adult in the family (other than the recipient)	52.6	71.4	68.4	65.8	NA
Own Children²²⁹					
Percent with Own Children	67.5	27.0	20.5	24.0	NA
Age of Youngest Child					
•None	32.5	73.0	79.5	76.0	NA
•0-2	18.6	9.7	0.8	0.2	NA
•3-5	13.2	4.8	1.3	1.9	NA
•6-12	26.8	9.6	5.4	9.3	NA
•13-17	8.5	2.8	13.0	11.3	NA

²²⁴ Includes the number of education years completed. Persons who receive a high school equivalency are included in the 12 years category.

²²⁵ Based on household size at first interview.

²²⁶ The Census defines a “family” as a group of two or more persons (one of who is the “householder”) related by birth, marriage, or adoption and residing together; all such persons (including related subfamily members) are considered members of one family.

²²⁷ A small number of children in the SIPP do not have a “parent” present because they either live on their own or there is no parent present.

²²⁸ Children include individuals under age 18.

²²⁹ Includes only those with children under 18 who are living in the family at the time of the SIPP interview.

Appendix Exhibit E.8 (Continued)
Characteristics of Post-SIPP SSI Recipients from the 1990 through
1993 SIPP Panels

	Age 18 to 40		Age 41 to 64		Age 0 to 17
CHARACTERISTICS	Women	Men	Women	Men	Children
Monthly Family Income for January (in 1993 dollars)²³⁰					
Less than \$500	26.9	23.4	23.1	29.5	24.1
\$500-\$999	23.5	17.3	23.6	16.4	24.4
\$1,000-\$1,499	17.0	14.9	18.0	14.8	13.3
\$1,500-\$1,999	6.2	12.5	9.8	10.9	8.7
\$2,000 or more	26.3	31.9	25.4	28.4	29.5
Mean	\$1,470	\$2,005	\$1,578	\$1,585	\$1,720
Family Income as a Percent of Poverty for January²³¹					
Less than 1.00	51.7	39.5	42.1	42.9	55.5
1.00-1.49	16.7	12.5	19.3	14.8	13.8
1.50-2.00	10.5	12.9	12.5	12.0	9.8
2.00-2.99	9.6	18.5	14.4	16.4	11.4
3.00-3.99	6.2	8.1	5.6	5.5	3.4
4.00 or more	5.3	8.5	6.1	8.5	6.1
Monthly Personal Income for January (in 1993 dollars)²³²					
Less than \$500	55.4	53.2	63.0	45.6	NA
\$500-\$999	26.3	20.2	22.1	21.3	NA
\$1,000-\$1,499	10.5	13.3	10.3	12.3	NA
\$1,500-\$1,999	4.0	6.5	2.5	7.1	NA
\$2,000 or more	3.7	6.9	2.1	13.7	NA
Mean	\$574	\$701	\$484	\$913	NA
Household Assets (in 1993 dollars)²³³					
Missing	13.3	22.2	9.7	12.3	11.2
\$0-\$1,999	48.3	32.3	38.4	33.9	44.7
\$2,000-\$9,999	16.4	12.1	16.1	15.0	14.2
\$10,000-\$24,999	6.2	8.9	9.7	12.3	10.2
\$25,000 or more	15.8	24.6	26.2	26.5	19.7
Mean	\$19,099	\$46,523	\$25,455	\$28,434	\$24,273
January Labor Earnings (in 1993 dollars)					
% with earnings	31.6	46.8	32.1	50.0	NA
% in family with earnings ²³⁴	56.0	64.9	61.3	63.4	NA
Program Participation of Family²³⁵					
AFDC	29.4	4.0	11.5	4.1	37.5
Food Stamps	48.9	22.6	31.6	18.3	62.5

²³⁰ Based on monthly income for January. Income is adjusted using the Consumer Price Index.

²³¹ Based on monthly income for January. Income is adjusted using the Consumer Price Index.

²³² Based on monthly income for January. Income is adjusted using the Consumer Price Index.

²³³ Total household asset values include home equity, net vehicle equity, business equity, interest earning assets held at banks or other institutions, stock and mutual fund shares, real estate, other assets, and IRA accounts. Assets are adjusted using the Consumer Price Index. There are some missing values for assets because of the timing of the questions. The asset information in each SIPP panel is gathered at different points following the first interview.

²³⁴ Includes earnings from the SSI recipient.

²³⁵ One or more family members received benefits in January of year indicated.

Appendix Exhibit E.8 (Continued)
Characteristics of Post-SIPP SSI Recipients from the 1990 through
1993 SIPP Panels

	Age 18 to 40		Age 41 to 64		Age 0 to 17
CHARACTERISTICS	Women	Men	Women	Men	Children
Past Program Participation of Family²³⁶					
Missing	3.7	6.0	3.8	7.1	NA
Past AFDC	42.7	4.0	15.2	4.1	NA
Past Food Stamps	56.0	31.0	41.0	27.9	NA
Duration to First SSI Receipt					
1 Year	17.0	19.8	22.5	20.8	24.1
2 Years	18.3	24.6	22.0	18.6	24.6
3 Years	22.0	20.6	19.8	24.0	20.8
4 Years	22.6	17.7	19.8	19.9	15.0
5 Years	20.1	17.3	15.9	16.7	15.5
Duration to First SSI Application					
Applied Previously	32.2	30.6	43.4	35.8	7.8
1 Year	12.1	16.9	14.1	16.7	22.5
2 Years	15.2	19.8	13.9	13.7	22.2
3 Years	17.0	12.5	9.5	12.8	22.0
4 Years	14.9	9.7	11.6	13.1	13.3
5 Years	8.7	10.5	7.4	7.9	12.3
Health Status					
Missing	14.9	23.0	10.8	16.1	NA
Poor	12.1	10.1	23.1	24.0	NA
Fair	26.0	16.1	29.0	28.1	NA
Good	26.3	28.7	26.6	21.3	NA
Excellent/Very Good	20.7	23.0	10.5	10.4	NA
One Period Disability Status²³⁷					
Missing	14.9	23.0	10.8	16.1	13.8
No Disability	34.7	38.7	29.3	30.3	53.2
Any Disability ²³⁸	50.5	38.3	59.8	53.6	33.0
• Severe ²³⁹	41.2	26.6	52.1	42.9	NA

²³⁶ Individual received benefit in or prior to January of year indicated.

²³⁷ Based on definition of disability used by McNeil (1993) and Kruse (1997). Definition of disability for children is different from that for adults

²³⁸ There are two definitions of disabilities used for children based on the age of the child. For those under age six, disability is defined as a child (as reported in the SIPP by the parent) that had a physical, learning, or mental health condition that limits him/her in the usual kind of activities by most children their age. For those age six and over, disability is defined as a child (as reported in the SIPP by the parent) that had a physical, learning, or mental health condition that limits him/her in the ability to do regular school work. For adults, the definition includes reports a limitation in kind or amount of work or housework he or she can do; has difficulty with any of the functional activities or ADLs; uses a wheelchair; has used a cane, crutches, or walker for more than six months; has a disabling mental or emotional condition.

²³⁹ Includes those who use a wheelchair, used a cane, crutches or walker for more than six months, are unable to do a functional activity, need assistance with an ADL, report being prevented from doing work or housework, or have mental retardation, Alzheimer's, senility, dementia, or a developmental disability such as autism or cerebral palsy.

Appendix Exhibit E.8 (Continued)
Characteristics of Post-SIPP SSI Recipients from the 1990 through
1993 SIPP Panels

	Age 18 to 40		Age 41 to 64		Age 0 to 17
CHARACTERISTICS	Women	Men	Women	Men	Children
Functional Limitation, ADL, and IADL Status					
Missing	14.9	23.0	10.8	16.1	NA
None	50.8	54.8	39.8	42.6	NA
Any ²⁴⁰	34.4	22.2	49.3	41.3	NA
• Any Severe ²⁴¹	27.9	18.5	41.4	33.1	NA
• Multiple	23.2	15.3	39.2	32.8	NA
Multi-period Work Limitation Status²⁴²					
Missing	19.2	16.7	13.3	18.0	19.1
1991 Panel ²⁴³	19.2	19.0	20.3	21.6	20.3
No limitations	22.0	24.2	21.1	16.7	30.1
Only one month	29.7	10.1	34.8	32.5	13.4
Both months	9.9	19.0	10.5	11.2	17.0

²⁴⁰ Functional Limitations, ADLs, and IADL include the following categories: getting around the home, sitting in chair, showering, dressing, eating, using the toilet, getting out side the home, handling money and bills, preparing a meal, doing light housework, using the telephone, lifting ten pounds, walking stairs, walking 0.25 miles, and walking.

²⁴¹ A severe Functional Limitation, ADL, or IADL means that the respondent either required personal assistance or was unable to perform a certain task.

²⁴² Based on limitations reported in October of current year and October of the following year. See Burkhauser and Wittenburg (1996).

²⁴³ The 1991 SIPP panel did not include 2 topical modules on Functional Limitations.

Appendix Exhibit E.9
Characteristics of Young Women (Age 18 to 40) Who Lived in Families With
Income Between 150 Percent and 400 Percent of Poverty,
by Family and Disability Status²⁴⁴

CHARACTERISTICS	Total	Parents		Non-Parents	
		With a Disability	Without a Disability	With a Disability	Without a Disability
Total					
Number	16,413	926	9,236	604	5,647
Sample Size by Panel					
1990	4,970	256	2,793	197	1,724
1991	3,135	174	1,731	105	1,125
1992	4,110	253	2,380	141	1,336
1993	4,198	243	2,332	161	1,462
SSI Application and Reciprocity²⁴⁵					
SSI Recipient at First SIPP Interview	0.5	1.0	0.1	8.9	0.2
Filed First SSI Application after First SIPP Wave and before July 31, 1996	1.2	3.8	0.7	6.0	1.0
Started to Receive SSI after First SIPP Wave and before July 31, 1996	0.5	2.8	0.2	2.5	0.4
Program Participation of Family²⁴⁶					
AFDC	1.4	3.8	1.9	0.8	0.1
Food Stamps	2.1	4.2	2.7	3.3	0.5
Past Program Participation of Family²⁴⁷					
Missing	3.2	1.2	2.7	1.2	4.6
Past AFDC Recipient	6.6	18.8	9.5	1.0	0.3
Past Food Stamps Recipient	12.5	23.4	14.0	13.4	87.2
Age					
18-30	52.2	30.1	39.3	56.5	76.6
31-40	47.8	69.9	60.7	43.5	23.4
Marital Status					
Married	58.4	79.5	80.1	25.2	23.2
Never Married	29.0	5.2	6.4	63.2	66.3
Divorced/Separated/Widowed	12.6	15.3	13.5	11.6	10.5

²⁴⁴ Includes individuals who were interviewed in the first wave of the 1990, 1991, 1992, or 1993 SIPP Panels. Characteristics are not weighted. Income is based on amount reported in January of each panel. We count any individual as having a disability if s/he:

- reported a limitation in kind or amount of work or housework he or she can do;
- had difficulty with any of the functional activities or ADLs; uses a wheelchair;
- had used a cane, crutches, or walker for more than six months;
- had a disabling mental or emotional condition;
- reported difficulties in any of the following: getting around the home, sitting in chair, showering, dressing, eating, using the toilet, getting out side the home, handling money and bills, preparing a meal, doing light housework, using the telephone, lifting ten pounds, walking stairs, walking 0.25 miles, or walking; or
- reports that their current health status is “poor.”

²⁴⁵ Based on records from the matched SSA files. An SSI recipient is defined as an individual who is “in payment status”—i.e., SSA records show that this person was scheduled to receive a payment.

²⁴⁶ One or more family members received benefits in January of year indicated.

²⁴⁷ Individual received benefit in some period prior to January of year indicated.

Appendix Exhibit E.9 (Continued)
Characteristics of Young Women (Age 18 to 40) Who Lived in Families With
Income Between 150 Percent and 400 Percent of Poverty,
by Family and Disability Status

CHARACTERISTICS	Total	Parents		Non-Parents	
		With a Disability	Without a Disability	With a Disability	Without a Disability
Race/Ethnicity					
Hispanic	10.2	6.5	10.8	6.6	10.2
Black (excluding Hispanic)	11.2	9.0	11.0	12.3	11.8
White	74.9	82.5	74.6	78.1	73.8
Other	3.7	2.1	3.6	3.0	4.2
Education Attained ²⁴⁸					
0-11 years	12.6	15.9	12.9	15.4	11.3
12 years	42.8	47.4	46.1	42.4	36.6
13-15 years	28.3	25.5	26.8	27.3	31.3
16 or more years	16.3	11.2	14.2	14.9	20.8
Household Size ²⁴⁹					
1 person	6.6	0.0	0.0	15.6	17.5
2 persons	18.5	4.8	5.3	38.1	40.2
3-4 persons	51.3	68.8	65.5	34.1	27.0
5 persons or more	23.7	26.5	29.3	12.3	15.2
Family Size ²⁵⁰					
1 person	12.8	0.0	0.0	27.5	34.4
2 persons	14.8	5.9	6.0	31.6	28.9
3-4 persons	49.5	68.4	65.3	30.1	22.5
5 persons or more	22.9	25.7	28.7	10.8	14.2
Adults in the Household and Family					
% w/at least one adult in household (other than the respondent)	86.8	89.7	89.3	84.3	82.3
% w/at least one adult in family (other than the respondent)	79.7	88.0	88.1	72.2	65.4
Own Children ²⁵¹					
Percent with Own Children	61.9	100.0	100.0	0.0	0.0
Age of Youngest Child					
• None	38.1	0.0	0.0	100.0	100.0
• 0-2	22.1	25.2	36.9	0.0	0.0
• 3-5	14.2	22.3	23.0	0.0	0.0
• 6-12	19.8	39.1	31.2	0.0	0.0
• 13-17	5.8	13.3	9.0	0.0	0.0

²⁴⁸ Includes the number of education years completed. Persons who receive a high school equivalency are included in the 12 years category.

²⁴⁹ Based on household size at first interview.

²⁵⁰ The Census defines a “family” as a group of two or more persons (one of who is the “householder”) related by birth, marriage, or adoption and residing together; all such persons (including related subfamily members) are considered members of one family.

²⁵¹ Includes only those with children under 18 who are living in the family at the time of the SIPP interview.

Appendix Exhibit E.9 (Continued)
Characteristics of Young Women (Age 18 to 40) Who Lived in Families With
Income Between 150 Percent and 400 Percent of Poverty,
by Family and Disability Status

CHARACTERISTICS	Total	Parents		Non-Parents	
		With a Disability	Without a Disability	With a Disability	Without a Disability
Monthly Personal Income for January (in 1993 dollars) ²⁵²					
Less than \$500	32.4	41.7	34.5	35.6	27.2
\$500-\$999	16.0	15.3	16.0	19.5	15.7
\$1,000-\$1,499	22.3	17.2	19.1	20.0	28.5
\$1,500-\$1,999	15.8	11.9	15.5	15.6	17.1
\$2,000 or more	13.3	13.7	14.7	9.3	11.5
Mean	\$1,037	\$945	\$1,040	\$933	\$1,058
Household Assets (in 1993 dollars) ²⁵³					
Missing	9.0	3.0	7.3	4.0	13.3
\$0-\$1,999	13.8	16.2	12.2	18.0	15.5
\$2,000-\$9,999	18.6	19.0	16.9	20.4	21.2
\$10,000-\$24,999	15.7	16.1	16.1	13.7	15.2
\$25,000 or more	42.9	45.7	47.5	43.9	34.7
Mean	\$ 53,704	\$ 51,684	\$ 56,865	\$ 54,173	\$ 48,492
Labor Earnings (in 1993 dollars)					
% with earnings	72.8	59.2	69.8	62.7	81.0
% in family with earnings ²⁵⁴	98.3	97.2	99.1	90.9	98.1
Health Status					
Missing	10.2	0.0	8.8	0.0	15.3
Poor	0.8	8.3	0.0	8.8	0.0
Fair	4.5	24.4	2.6	26.0	1.9
Good	21.2	36.8	21.8	34.4	16.3
Excellent/Very Good	63.3	30.5	66.8	40.8	66.5
One Period Disability Status ²⁵⁵					
Missing	10.2	0.0	8.8	0.0	15.3
No Disability	80.6	1.2	91.2	0.8	84.7
Any Disability ²⁵⁶	9.2	98.8	0.0	99.2	0.0
• Severe Disability ²⁵⁷	5.5	56.0	0.0	73.7	0.0

²⁵² Based on monthly income for January. Income is adjusted using the Consumer Price Index.

²⁵³ Total household asset values include home equity, net vehicle equity, business equity, interest earning assets held at banks or other institutions, stock and mutual fund shares, real estate, other assets, and IRA accounts. Assets are adjusted using the Consumer Price Index. There are some missing values for assets because of the timing of the questions. The asset information in each SIPP panel is gathered at different points following the first interview.

²⁵⁴ Includes earnings from the respondent

²⁵⁵ Based on definition of disability used by McNeil (1993) and Kruse (1997).

²⁵⁶ Reports a limitation in kind or amount of work or housework he or she can do; has difficulty with any of the functional activities or ADLs; uses a wheelchair; has used a cane, crutches, or walker for more than six months; has a disabling mental or emotional condition.

²⁵⁷ Includes those who use a wheelchair, used a cane, crutches or walker for more than six months, are unable to do a functional activity, need assistance with an ADL, report being prevented from doing work or housework, or have mental retardation, Alzheimer's, senility, dementia, or a developmental disability such as autism or cerebral palsy.

Appendix Exhibit E.9 (Continued)
Characteristics of Young Women (Age 18 to 40) Who Lived in Families With
Income Between 150 Percent and 400 Percent of Poverty,
by Family and Disability Status

CHARACTERISTICS	Total	Parents		Non-Parents	
		With a Disability	Without a Disability	With a Disability	Without a Disability
Functional Limitation, ADL, and IADL Status ²⁵⁸					
Missing	10.2	0.0	8.8	0.0	15.3
• None	84.6	47.2	91.2	40.6	84.7
• Any	5.2	52.8	0.0	59.4	0.0
• Any Severe ²⁵⁹	4.3	43.4	0.0	49.8	0.0
• Multiple ²⁶⁰	2.8	27.2	0.0	33.8	0.0

²⁵⁸ Based on definition of disability used by Hu, Lahiri, Vaughan, and Wixon (1997).

²⁵⁹ A severe Functional Limitation, ADL, or IADL means that the respondent either required personal assistance or was unable to perform a certain task.

²⁶⁰ Includes those who report difficulties with at least two functional limitations, ADLs, or IADLs.

Appendix Exhibit E.10
Characteristics of Young Men (Age 18 to 40) Who Lived in Families With Income
Between 150 Percent and 400 Percent of Poverty,
by Family and Disability Status²⁶¹

CHARACTERISTICS	Total	Parents		Non-Parents	
		With a Disability	Without a Disability	With a Disability	Without a Disability
Total					
Number	15,974	533	6,772	840	7,829
Sample Size by Panel					
1990	4,779	167	1,950	269	2,393
1991	3,045	119	1,299	157	1,470
1992	4,052	119	1,784	179	1,970
1993	4,098	128	1,739	235	1,996
SSI Application and Reciprocity²⁶²					
SSI Recipient at First SIPP Interview	0.7	0.0	0.0	11.2	0.3
Filed First SSI Application after First SIPP Wave and before July 31, 1996	1.5	3.6	0.6	6.3	1.7
Started to Receive SSI after First SIPP Wave and before July 31, 1996	0.7	1.1	0.2	4.3	0.7
Program Participation of Family²⁶³					
AFDC	0.2	0.6	0.3	0.1	0.0
Food Stamps	1.0	2.3	0.8	3.9	0.8
Past Program Participation of Family²⁶⁴					
Missing	3.6	0.9	2.7	0.8	4.9
Past AFDC Recipient	0.2	0.9	0.4	0.1	0.0
Past Food Stamps Recipient	9.6	15.6	9.8	12.4	8.7
Age					
18-30	53.9	23.3	32.0	56.4	74.6
31-40	46.1	76.7	68.0	43.6	25.4
Marital Status					
Married	53.1	96.4	96.0	15.8	17.2
Never Married	38.7	0.4	1.0	68.7	70.7
Divorced/Separated/Widowed	8.1	3.2	3.0	15.5	12.2

²⁶¹ Includes individuals who were interviewed in the first wave of the 1990, 1991, 1992, or 1993 SIPP Panels. Characteristics are not weighted. Income is based on amount reported in January of each panel. We count any individual as having a disability if s/he:

- reported a limitation in kind or amount of work or housework he or she can do;
- had difficulty with any of the functional activities or ADLs; uses a wheelchair;
- had used a cane, crutches, or walker for more than six months;
- had a disabling mental or emotional condition;
- reported difficulties in any of the following: getting around the home, sitting in chair, showering, dressing, eating, using the toilet, getting out side the home, handling money and bills, preparing a meal, doing light housework, using the telephone, lifting ten pounds, walking stairs, walking 0.25 miles, or walking; or
- reports that their current health status is “poor.”

²⁶² Based on records from the matched SSA files. An SSI recipient is defined as an individual who is “in payment status”—i.e., SSA records show that this person was scheduled to receive a payment.

²⁶³ One or more family members received benefits in January of year indicated.

²⁶⁴ Individual received benefit in some period prior to January of year indicated.

Appendix Exhibit E.10 (Continued)
Characteristics of Young Men (Age 18 to 40) Who Lived in Families With Income Between 150 Percent and 400 Percent of Poverty, by Family and Disability Status

CHARACTERISTICS	Total	Parents		Non-Parents	
		With a Disability	Without a Disability	With a Disability	Without a Disability
Race/Ethnicity					
Hispanic	11.5	7.9	10.4	9.2	13.0
Black (excluding Hispanic)	10.2	6.8	7.8	11.4	12.4
White	74.6	84.2	78.6	76.1	70.3
Other	3.7	1.1	3.1	3.3	4.3
Education Attained ²⁶⁵					
0-11 years	17.6	15.8	14.0	25.8	19.9
12 years	42.7	43.9	44.4	46.0	40.8
13-15 years	24.3	28.9	23.2	21.7	25.2
16 or more years	15.4	11.4	18.4	6.5	14.0
Household Size ²⁶⁶					
1 person	9.2	0.0	0.0	14.3	17.2
2 persons	18.6	0.8	1.1	30.7	33.6
3-4 persons	49.7	69.8	69.6	41.1	32.1
5 persons or more	22.5	29.5	29.4	13.9	17.1
Family Size ²⁶⁷					
1 person	18.2	0.0	0.0	26.4	34.3
2 persons	13.8	1.3	1.6	24.8	24.0
3-4 persons	46.7	69.6	69.4	36.3	26.6
5 persons or more	21.3	29.1	28.9	12.5	15.1
Adults in the Household and Family					
% w/at least one adult in household (other than the respondent)	89.7	98.3	97.8	85.4	82.6
% w/at least one adult in the family (other than the respondent)	80.4	97.6	97.1	73.2	65.5
Own Children ²⁶⁸					
Percent with Own Children	45.7	100.0	100.0	0.0	0.0
Age of Youngest Child					
• None	54.3	0.0	0.0	100.0	100.0
• 0-2	19.1	31.9	42.5	0.0	0.0
• 3-5	10.7	23.3	23.5	0.0	0.0
• 6-12	13.2	36.8	27.9	0.0	0.0
• 13-17	2.8	8.1	6.2	0.0	0.0

²⁶⁵ Includes the number of education years completed. Persons who receive a high school equivalency are included in the 12 years category.

²⁶⁶ Based on household size at first interview.

²⁶⁷ The Census defines a “family” as a group of two or more persons (one of who is the “householder”) related by birth, marriage, or adoption and residing together; all such persons (including related subfamily members) are considered members of one family.

²⁶⁸ Includes only those with children under 18 who are living in the family at the time of the SIPP interview.

Appendix Exhibit E.10 (Continued)
Characteristics of Young Men (Age 18 to 40) Who Lived in Families With Income Between 150 Percent and 400 Percent of Poverty, by Family and Disability Status

CHARACTERISTICS	Total	Parents		Non-Parents	
		With a Disability	Without a Disability	With a Disability	Without a Disability
Monthly Personal Income for January (in 1993 dollars) ²⁶⁹					
Less than \$500	14.3	6.2	2.8	31.8	22.8
\$500-\$999	10.7	9.6	4.7	23.2	14.7
\$1,000-\$1,499	21.0	18.8	12.9	23.2	28.0
\$1,500-\$1,999	19.8	17.4	20.2	12.1	20.5
\$2,000 or more	34.1	47.8	59.4	9.6	13.9
Mean	\$1,652	\$1,977	\$2,287	\$951	\$1,156
Household Assets (in 1993 dollars) ²⁷⁰					
Missing	11.8	2.4	7.7	5.2	16.7
\$0-\$1,999	13.8	12.9	10.5	17.5	16.4
\$2,000-\$9,999	17.7	16.3	16.2	18.8	19.0
\$10,000-\$24,999	15.3	20.8	16.7	13.3	13.9
\$25,000 or more	41.4	47.5	49.0	45.1	34.1
Mean	\$54,423	\$ 51,390	\$57,485	\$ 59,365	\$ 51,127
Labor Earnings (in 1993 dollars)					
% with earnings	86.0	83.7	95.7	62.1	80.3
% in a family with earnings ²⁷¹	97.6	97.2	99.6	88.3	96.9
Health Status					
Missing	12.8	0.0	8.6	0.0	18.6
Poor	0.8	7.3	0.0	9.8	0.0
Fair	3.3	17.4	2.0	18.5	1.8
Good	18.6	34.7	18.5	36.3	15.6
Excellent/Very Good	64.6	40.5	70.8	35.5	63.9
One Period Disability Status ²⁷²					
Missing	12.8	0.0	8.6	0.0	18.6
No Disability	78.7	0.9	91.4	0.7	81.4
Any Disability ²⁷³	8.5	99.1	0.0	99.3	0.0
• Severe Disability ²⁷⁴	4.4	45.8	0.0	55.1	0.0

²⁶⁹ Based on monthly income for January. Income is adjusted using the Consumer Price Index.

²⁷⁰ Total household asset values include home equity, net vehicle equity, business equity, interest earning assets held at banks or other institutions, stock and mutual fund shares, real estate, other assets, and IRA accounts. Income is adjusted using the Consumer Price Index. There are some missing values for assets because of the timing of the questions. The asset information in each SIPP panel is gathered at different points following the first interview.

²⁷¹ Includes earnings from the respondent

²⁷² Based on definition of disability used by McNeil (1993) and Kruse (1997).

²⁷³ Reports a limitation in kind or amount of work or housework he or she can do; has difficulty with any of the functional activities or ADLs; uses a wheelchair; has used a cane, crutches, or walker for more than six months; has a disabling mental or emotional condition.

²⁷⁴ Includes those who use a wheelchair, used a cane, crutches or walker for more than six months, are unable to do a functional activity, need assistance with an ADL, report being prevented from doing work or housework, or have mental retardation, Alzheimer's, senility, dementia, or a developmental disability such as autism or cerebral palsy.

Appendix Exhibit E.10 (Continued)
Characteristics of Young Men (Age 18 to 40) Who Lived in Families With Income Between 150 Percent and 400 Percent of Poverty, by Family and Disability Status

CHARACTERISTICS	Total	Parents		Non-Parents	
		With a Disability	Without a Disability	With a Disability	Without a Disability
Functional Limitation, ADL, and IADL Status ²⁷⁵					
Missing	12.8	0.0	8.6	0.0	18.6
• None	83.6	59.1	91.4	56.7	81.4
• Any	3.6	40.9	0.0	56.7	0.0
• Any Severe ²⁷⁶	3.0	34.1	0.0	36.1	0.0
• Multiple ²⁷⁷	2.0	19.9	0.0	24.5	0.0

²⁷⁵ Based on definition of disability used by Hu, Lahiri, Vaughan, and Wixon (1997).

²⁷⁶ A severe Functional Limitation, ADL, or IADL means that the respondent either required personal assistance or was unable to perform a certain task.

²⁷⁷ Includes those who report difficulties with at least two functional limitations, ADLs, or IADLs.

PROBABILITY OF AFDC RECEIPT

M. Adults

We estimate linear probability models of AFDC participation for young women and men. The dependent variable in these models is equal to one if the individual receives AFDC during the first SIPP interview, zero otherwise. For the explanatory variables, we use a subset of the variables from the application and allowance models. For the adult models, these variables include severe disability, any disability, missing disability, age, married, black, Hispanic, non-white, no high school diploma, high school diploma only, some college, other adult in the family, and age of youngest child.

In general, we find that all of the coefficients in these models have the expected signs (*Appendix Exhibit C.1*). For young women, we find that the probability of participating in AFDC is positively related to being black or Hispanic, having less than a high school education, having young children, having a disability, and living in a family with children. We find that the probability of participating in AFDC is negatively related to age, being married, and having an adult in the family unit. For young men, we find that the signs of the coefficients are similar to those for women, but, not surprisingly, the magnitudes of the coefficients are much smaller.

N. Children

The child AFDC models are estimated in the same fashion as described for adults, except that the set of explanatory variables for these models includes the following variables: age, sex, disability status, missing disability status, lives with mother only, lives with father only, and a series of characteristics for the mother and father (black, Hispanic, no high school diploma, high school diploma, some college education, some disability, severe disability, disability status is missing).

The results from the AFDC linear probability models are presented in *Appendix Exhibit C.2*. The results generally conform to expectations. We find that the only characteristic of the child with a significant coefficient is age, which has a negative effect on AFDC participation. We find that children, whose mothers were non-white, had lower education levels, or had a disability, had a higher probability of participating in AFDC, holding other factors constant. In contrast, children whose fathers had these characteristics were less likely to be participating in AFDC. Finally, not surprisingly, we find a very strong and positive coefficient for children living with a mother only. Parental disabilities are significant predictors of child AFDC participation, even though child disability is not -- presumably reflecting the effect of parental disability on family incomes.

Appendix Exhibit E.11
AFDC Linear Probability Models for Young Women and Young Men
(Age 18 to 40)

Variable	Coefficient (Std Err)	Coefficient (Std Err)
Intercept	0.095** (0.007)	0.009** (0.003)
Has a Severe Disability	0.057** (0.006)	0.022** (0.003)
Has a Disability	0.060** (0.012)	0.019** (0.006)
Missing information on Disability	-0.011** (0.004)	0.000 (0.001)
Age	-0.002** (0.000)	0.000** (0.000)
Black	0.080** (0.004)	0.007** (0.002)
Hispanic	0.025** (0.004)	0.000 (0.002)
Married	-0.111** (0.003)	0.000 (0.002)
No High School Diploma	0.114** (0.004)	0.018** (0.002)
High School Diploma Only	0.026** (0.003)	0.004** (0.001)
Some College	0.004 (0.004)	0.001 (0.001)
Children in Family	0.187** (0.003)	0.022** (0.002)
Other adult in the family	-0.069** (0.003)	-0.002 (0.001)
Age of Youngest Child	-0.007** (0.000)	-0.001** (0.000)
Sample Size	35,641	33,075

Appendix Exhibit E-12
AFDC Linear Probability Models for Children (Age 0 to 17)

Variable	Coefficient (Std Err)	Variable	Coefficient (Std Err)
Intercept	0.163** (0.010)	Father disability information missing	0.014 (0.007)
Age of child	-0.006** (0.000)	Mother is black	0.151** (0.005)
Child is female	0.001 (0.002)	Mother is Hispanic	0.155** (0.006)
Child has a disability	0.006 (0.006)	Mother has no high school diploma	0.167** (0.005)
Child disability information	-0.007 (0.005)	Mother has only a high school diploma	0.062** (0.004)
Father is black	-0.107** (0.006)	Mother has some college education	0.026** (0.004)
Father is Hispanic	-0.178** (0.007)	Mother has a severe disability	0.081** (0.004)
Father has no high school diploma	-0.026** (0.005)	Mother has a disability	0.032** (0.006)
Father has only a high school diploma	-0.031** (0.004)	Mother disability information missing	0.002 (0.007)
Father has some college education	-0.018** (0.004)	Lives with mother only	0.031** (0.014)
Father has a severe disability	0.080** (0.006)	Lives with mother and father	-0.153** (0.010)
Father has a disability	0.012* (0.007)	Sample Size	53,652

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APPENDIX F

**ACCOUNTING RELATIONSHIPS BETWEEN KEY OUTCOME
VARIABLES**

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APPENDIX F

ACCOUNTING RELATIONSHIPS BETWEEN KEY OUTCOME VARIABLES

This presentation of the accounting relationships follows a formulation used by RAND in their analysis plan for the SSI child evaluation in some ways, but simplifies it in others (RAND, 1998). Their formulation allows for age-cohort specific application, allowance and continuation rates, which is a useful extension if data are available to support age-cohort models.

During any period, program benefits are paid to recipients who applied and received their allowances at various times in the past and who continue to receive benefits in the current period. Thus, we may write benefit payments in period t , B_t , as:

Equation 1:
$$B_t = \sum_{s < t} N_s a_s r_s g_{ts} b_{ts},$$

where: N_s is the number of individuals who are “at-risk” for first entry into the program in period s (those who have never been recipients); a_s is the proportion who apply for benefits in period s ; r_s is the allowance rate for those who apply in period s ; g_{ts} is the proportion of allowed applicants from period s who continue to receive benefits in period t ; and b_{ts} is mean benefit payments to allowed applicants from period s who continue to receive benefits in period t . The proportion who apply, the allowance rate, the continuation rate, and mean benefits all potentially depend on the policy regime and the economic environment in period s , as well as on the demographic composition of the at-risk population in period s . The continuation rate also may depend on changes in the policy and economic environment between periods s and t .

The following are closely related equations for the caseload, C_t : the number of applications, A_t , the number of allowances, R_t , and the number of terminations, T_t , in period t :

Equation 2:
$$C_t = \sum_{s < t} N_s a_s r_s g_{ts};$$

Equation 3:
$$A_t = N_t a_t;$$

Equation 4:
$$R_t = N_t a_t r_t; \text{ and}$$

Equation 5:
$$T_t = \sum_{s < t} N_s a_s r_s (g_{ts} - g_{t-1s}).$$

We have not distinguished between temporary and permanent benefit terminations. This is an important simplification, but it should be kept in mind that those first allowed in s who are recipients in t need not have been recipients for all intermediate periods. We also have not specified the time period. A month is the shortest period of interest because eligibility is determined, and benefits are paid, on a monthly basis. Data issues might make longer periods more appropriate in some analyses; this will have an impact on the definitions and values of the variables above, as well as on the observed dynamics of the process.